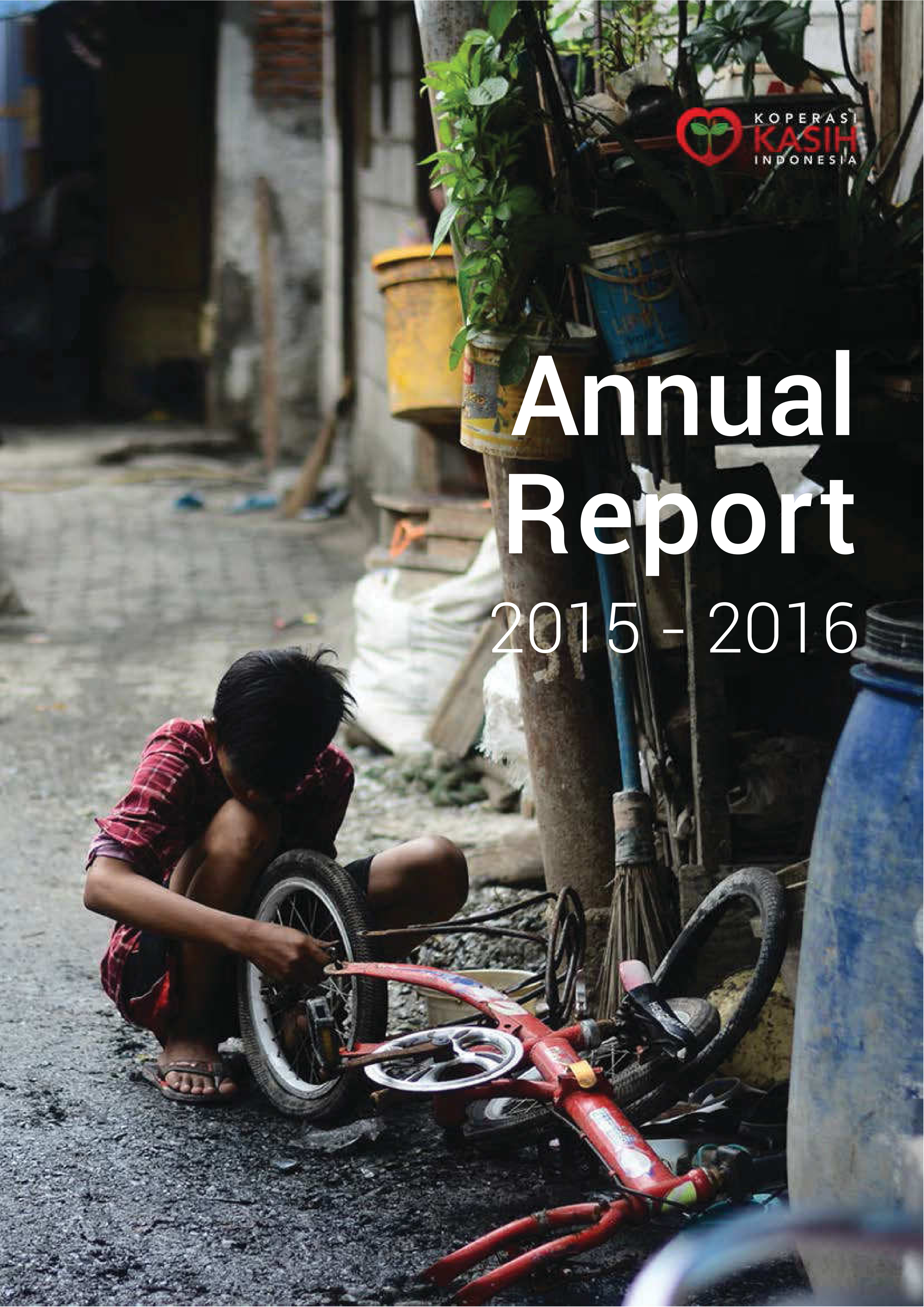


KOPERASI KASIH INDONESIA

Annual Report

2015 - 2016

Contents

On-duty KKI Field Officer in Cilincing

All KKI photos in this annual report are credit to Ferry Setiawan

Foreword

"....2016 IS THE YEAR WHERE GOD HUMBLED HIS PEOPLE IN KKI,

SO HE COULD REALLY LEAD THEM TO HIS VISION......"

Dear all KKI supporters and stakeholders,

I am writing this letter very happily as finally we greeted you again through annual report. Yes, we did not publish 2015 Annual Report, unlike the 4 prior years. Instead, we combined 2015 and 2016 into one annual report, that you hold/read now.

I hope this report finds you in a great condition.

2015 and 2016 are 2 years with the opposite fact in terms of members growth. In 2015, we grew from 5,033 members to 7,994, by almost 3,000 members, which marked our biggest-ever growth in a year. In 2016, however, our members declined to 7,048.

This member number movement shared a lot about both years, and more important than that, about our learning. This is the main thing I wanted to share with you in this letter.

In 2015, we pushed growth really hard. Within 6 months, from January to June 2015, our members grew from 5,033 to 7,265 (>2,000). Growth was something that truly drove us. We wanted to grow, so we could help more people, could hire more people that we need, and could – honestly – feel good about ourselves, that KKI grew towards where we wanted.

In 2016, many interesting thing happened, aside from our member declined by almost a thousand. KKI almost had to cut 2,000 members when 1 of 4 Branch Managers resigned, with no replacement.

I personally tried to become Branch Manager, but failed. In addition to that, my personal struggle affected my management team and they wanted to resign in 2016. It was really a year where we realized the hard-truths – lots of them. However, in the end, we did not cut the 2,000 members. 3 directors of KKI cancelled their resignation. And we stand, still, at the end of the year.

2016 might looked like a "dark year" for KKI, but we knew that after darkness, comes the light, then the beautiful dawn. The light had come to us. The hard-truths awakening year of 2016 made us realized that KKI is not mine (Leonardo) – neither it is ours (the team). It is GOD's and GOD alone owns it.

As it is GOD's alone, GOD decides how it should grow and everything else in KKI, while we – the people – are just His workers. However, in 2015 and years before, these workers – especially me – wanted to push my own agenda, especially that relates to growth. I wanted KKI to help a lot of people the

Foreword

soonest, but apparently it's not what GOD wants. So, no matter how I tried, I failed, and along the way, I almost failed my team, and you, our supporters and stakeholders. I apologize for this. And I learned.

Thus, 2016 is the year whereby GOD reminded us – His workers – that KKI is His, and what happened, He decides. And thus, the best way for us, His workers, is to be fully obedient in everything we do. Instead of following our ego and thoughts, we shall humble ourselves before Him, kneel and get our forehead to the floor, listen to His guidance, and do as instructed. It is the only way KKI would achieve its vision. 2016 is the year where GOD humbled His people in KKI, so He could really lead them to His vision.

Going to 2017, the picture of microfinance industry had changed a lot, as many new players, from government to foreign institutions to local "multifinance" companies entered, bringing their own goals and interest. However, most of them offered credit only, and it distinguishes KKI even further given the training and savings that we provide.

So, what is the future for KKI? I have to say we do not know yet, but we are going to find out, by praying, and by doing visioning exercise. We reminded ourselves that we are here not to give loan for the unbankable poor. We are here to empower them to achieve better lives that are sustainable. We will stay true to that mission, and holding to that, finding how best to operate in this industry that is packed with micro-lending institutions.

If KKI is truly GOD's, it will thrive and find its "beautiful dawn" (after the "darkness"), staying true to its vision. We, the workers in KKI, will do our very best to achieve that, this time by humbling ourselves, be obedient and relying on GOD – The owner. Along that journey, and as always, I hope that you will continue join hands with us. And also with that, **I want to thank you, for every prayers and supports you have given to KKI**. GOD bless us!

Leonardo Kamilius

Representing KKI Leadership Team

Mindset - motivation Training

Many poverty-stricken members have long forgotten their dreams due to life challenges. Our training aims to ignite hope so members are confident to achieve their dreams and exit poverty permanently by adopting right mindset and habits, such as saving regularly.

Frame of Dreams

Members cut and paste images of their dreams on a paper frame. Then, hang the frame on a visible spot in their house. The purpose is to continuously remind them of their life dreams and motivate them to act on it.

Group Loan (Pinjaman Sejahtera)

Loans are disbursed after members attend education program. They have to form a group of 7-10 to obtain loans between 500 thousand to 5 million rupiah. Tenor is 25 or 40 weeks with 30% interest p.a. The loan is used to expand their business and increase income.

Life & Loan Insurance

Our borrowers are covered by life insurance. Should the borrower pass away, her remaining loan will be waived and her family will receive 3 million rupiah. Should the spouse pass away, the remaining loan will also be waived so as not to burden the mourning wife and family.

Compulsory savings

To encourage savings habit, we enforce weekly compulsory savings to our members. Compulsary savings amount is around 35% of loan size and will be returned in full once the loan cycle ends.

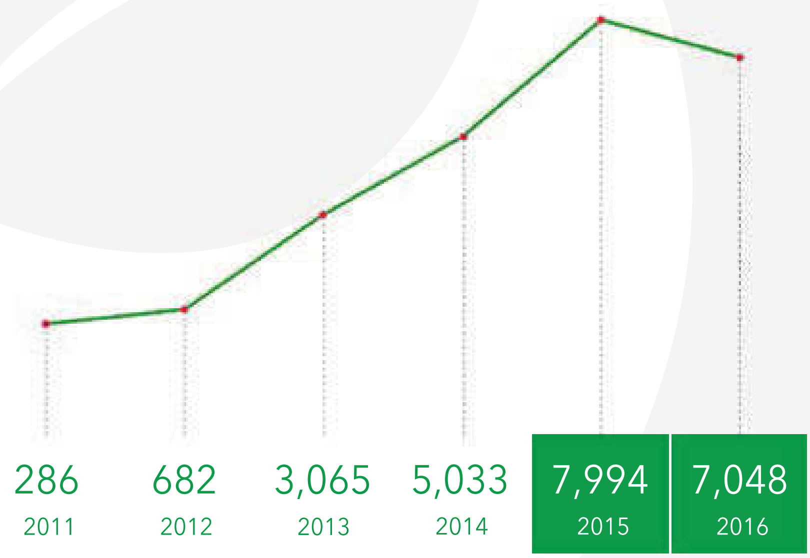
Voluntary savings

Members can voluntarily save as little as 1 thousand rupiah. This saving can also be withdrawn anytime. Through savings, we hope that members have buffer against shocks in life and be out of debt. Also, savings is one of the key tools to achieve life dreams.

Key Statistics

Core Supports for all MEMBERS

MEMBER GROWTH



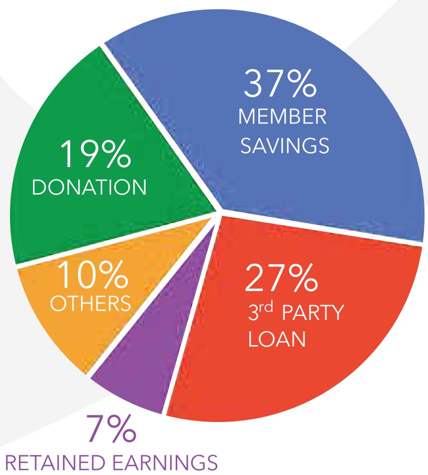
KKI outreach, defined as active borrowing members, peaked at 7,994 in 2015 before declining to 7,048 by end of 2016.

The reduction was taken as an immediate measure to resolve operational challenges. The strength of our foundations was tested and it started to show weaknesses as a number of key branch staffs resigned. We invite you to read on 2015 & 2016 review on page 14-15.

As a result, number of branches in 2015 & 2016 remained the same, with similar size of total loan portfolio and number of employees. 2016 average loan size increased by 21% from the previous year and non-performing loan was steadily maintained at 0%.

2016 SOURCE OF FUNDS

Total = IDR 7.6 billion



YEAR-TO-YEAR GROWTH

All currencies are in IDR

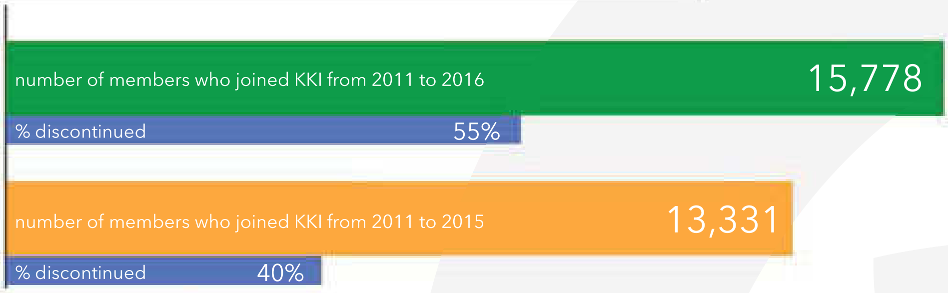
	2016	2015
Number of branches	4 (2 satellite branches)	4 (2 satellite branches)
Total loan disbursed in the year	22.8 billion	19.5 billion
Outstanding loan (end of year)	6 billion	5.7 billion
Bad Debt/ Non-performing Loan	0%	0%
Average loan size	1.7 million	1.4 million
Total member savings	2.8 billion	2.4 billion
Number of Personnels	48	46

Operations & Financials

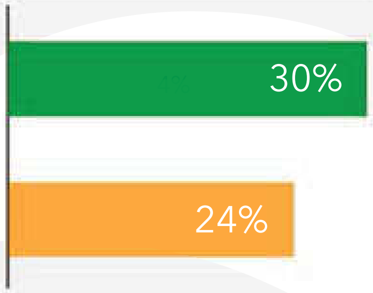
OPERATIONS

2016 2015

Cumulative Outreach* & Discontinued**



Employee Turnover



* *Cumulative outreach are total number of members who ever borrowed from KKI since 2011*
** *Cumulative % discontinued are members who no longer borrowed from KKI, calculated cumulatively since 2011*

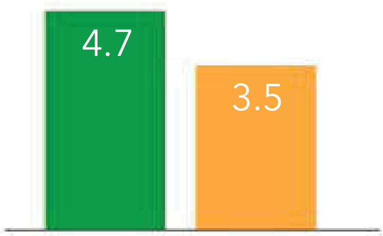
While percentage of discontinued members was already high in 2015 (40%), the significant hike in 2016 to 55% was due to intentional reduction of outreach in the face of challenging situations. In 2016, employee turnover rate was also higher, an indication that working conditions had worsened. Manpower was one of the key challenges in those two years, and as a result, our employees had to carry significantly greater burden than planned.

FINANCIALS

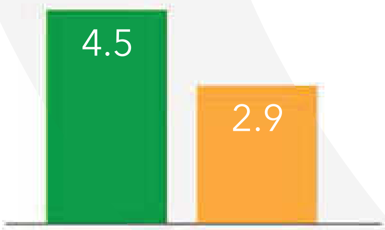
All currencies are in IDR

2016 (unaudited) *2015 (audited)*

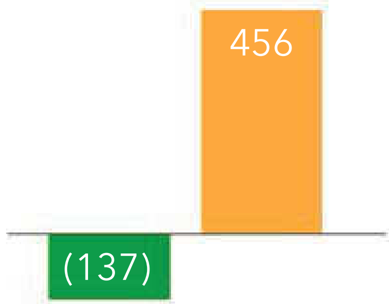
Operating Revenue (in billion)



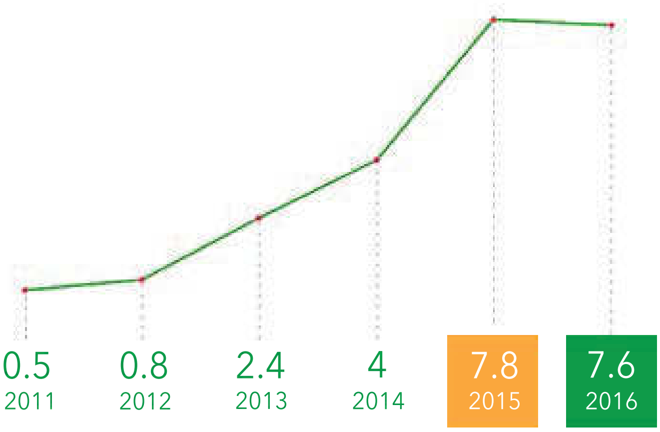
Operating Expenses (in billion)



Profit/ Loss (in million)



Total Assets (in billion)



KKI has reached break even since 2013. However, we were back in the loss in 2016 as number of outreach declined by 12% from 2015.

In 2016, the cost of hiring also added up to the loss. Previously, Leadership Team (LT) directly managed day-to-day operations, resulting in limited resources to strategically scale up. Amidst all the challenges, we saw the need to hire second layer staffs to support LT in managing and growing operations. 3 new supervisors were subsequently hired, each for Finance, Development, and Operations team.

Social Impact

PERFORMANCE METRICS

All currencies are in IDR

	2016	2015
Total voluntary savings	758 million	532 million
Number of members who save voluntarily	9,924	6,629
Average voluntary savings per member	76,338	80,291
Total no. of training sessions (free)	1,284	1,313
Total no. of frame of dreams distributed (free)	2,312	4,685
Total no. of savings books distributed (free)	2,447	5,306

Total voluntary savings increased by 39% despite total outreach dropped by 12%. This may indicate that members' savings awareness grew as a result of mindset-motivation training.

We also continue to provide training sessions, frame of dreams and savings books free of charge, aligned with our vision in supporting the poor to exit poverty permanently. 2016 figures dropped as we did not grow in terms of new members as many as in 2015.

ADDITIONAL SUPPORTS (2016)

MICRO INSURANCE

No. of coverage for members: 14,095

No. of coverage for spouses: 12,453

Amount of claim disbursed: 153 million

Amount of loans waived (death): 73 million

SCHOLARSHIPS

No. of senior high school students: 9

No. of primary school students: 2

Length of scholarships: 3 to 4 years

Total scholarships : 64.5 million
(for Academic Year 2015-2016)

Supporter Recognition

PARTNERS

DONORS & LENDERS

Combined list for donors and lenders since KKI's establishment until 2016

Anonymous*
Agnes & Andri Boenjamin
Anggara Mastangi
CEO Suite
Christanto Pranata
Christina Lim
Diana Laurencia
Dwi Nastiti Danarsari
Farell Sutantio
Ferry Kurniawan
George Hadi Santoso
Handy Salim
Jessica Nathania Lie & Joan Eliana Lie **
Novita Megawati
Perserikatan Perdata Salaki & Salaki
Prijono Tjiptoherijanto & Yumiko Mizuno
Rismania Veradiza & Andi Tito
Ruddy Samuel & Yulia Boenjamin
Victor Lesmana

* (a) 108 donors and 17 lenders preferred not to share their names and 63 donations were sent anonymously
(b) Donors who did not share their name to KKI when donating

**Jessica Nathania Lie & Joan Eliana Lie are 2 sisters who during elementary school did a project that raised donations of IDR 3.5 million and loans of IDR 250 million for KKI, including from their own savings

SPECIAL MENTIONS

People who helped in many invaluable ways over the years

Dewi Meisari (KKI Advisor)
John Lumban Tobing (KKI Commisioner)
Ayu Kartika Dewi
Donny Armando
Jason Chu
Jody Dharmawan
Michael Shih-ta Chen
Shafiq Dhanani
Thilma Komaling
Willy Yunnal

the people

Board of Commissioners

We are proud to introduce KKI's first appointed Board of Commissioner. Each of them has been very supportive since KKI was established, possessing values aligned with KKI's vision.

Board of Commissioner's duties include supervising and providing guidance to KKI team, as we aim to be an accountable, growing institution. Board member serves for 5 years until 2021, extendable upon agreement.

Prijono Tjiptoherijanto
Professor
Universitas Indonesia

John Lumban Tobing
Director
PT Sinabung Jaya Sejahtera

Nanik J. Santoso
Director
PT Ciputra Surya Tbk

Board of Advisors

Silverius Oscar Unggul
Co-founder & President
Perkumpulan Telapak

Henny Purnamawati
Partner
PT Egon Zehnder

Dewi Meisari
Director
SME Center Universitas Indonesia

In 2015, KKI appointed members of Advisory Board that consists of respectable individuals with expertise in their respective fields. Supported by their guidance, we strive to expedite our learning as well as growth. We are extremely grateful for Bang Onte, Henny, and Mba Dewi's willingness and kindness to help KKI. Board member serves for 1 year, extendable upon agreement.

Honorable mention goes to Pak Shafiq Dhanani (Advisor 2015-2016), President and Founder of Mitra Bisnis Keluarga (MBK). He has been generous with his knowledge, sharing with us best practices, methods, and technical guidances that are crucial to KKI's growth. KKI won't be here today without his wisdom. Pak Shafiq has resigned from the board due to other commitments but given us permission to learn from him and MBK.

Find more information on KKI Board Members on KASIHindonesia.com

Leadership Team

Leonardo Kamilius
Chief Executive Officer

Bachelor of Accountancy, Universitas Indonesia (Valedictorian)

Former Business Analyst at McKinsey & Co

Founder & Public Speaking Trainer at Next Level Presentation

Lucyana Siregar
Chief Operations Officer

Master of Public Policy, Universitas Indonesia

Former Accountant at Sinar Mas Land

Forbes Indonesia's Top 10 Inspiring Women 2014

Bachelor of Economics, Singapore Management University (Magna Cum Laude)

Former Valuations Analyst at the Royal Bank of Scotland

Former Director at ChapterW, a Singapore-based non-profit organization

Sandra Restu
Chief Development Officer

Bachelor of Accountancy, Universitas Indonesia (Magna Cum Laude)

Former Unilever's Future Leaders Program in Finance

Young Leaders Indonesia Alumni by McKinsey & Co

Isabella Harefa
Chief Finance Officer

Supervisor

Similar to Leadership Team, our Supervisors joined KKI to serve the poor, leaving their comfortable jobs and salary. We first created Supervisor roles in 2015 as there were needs for capable talents to manage and support KKI's growth

Ferry Setiawan
Operations & Branch Manager

Joined KKI straight after graduating from Universitas Indonesia

Lidya Sarah
Accounting

Former Senior Auditor KPMG

Randy Halim
Development

Former IT Architect Bank Mandiri

Winni Bulianti
Development

Former Head of Fleet Program Toyota Astra Motor

Branch Leaders

Sri Suryanti
Branch Manager
Cilincing

Former seamstress
at garment factory

Indah Melati
Branch Manager
Koja

Former cashier
at a food court in Jakarta

Herawaty Sihombing
Branch Manager
Cilincing

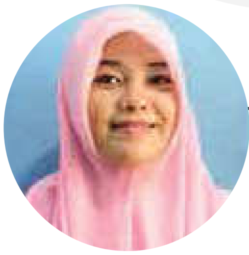
Joined KKI after graduating
from Universitas Padjajaran

Sari Rahmayati
Social Impact Officer

Kindergarten teacher and
travel book writer

Yanti
Vice
Age: 23
High-school
graduate

Atun
Vice
Age: 25
Bachelor's Degree
Candidate



Desma
Vice
Age: 25
Bachelor's Degree
Candidate

KKI Staffs at year-end dinner 2016

testimonies

For people like myself who have been a social activist since young, treading on the path as social entrepreneur is quite normal. However, what are being done by Leon, Lucy, Ibel, Sandra and friends at KKI are downright extraordinary! How could it be possible, young professionals with stable jobs dare to commit "social class" suicide to serve low income population, do it at location that is extremely full of challenges, and hang on in there with all the struggles? This is definitely a work from the heart, a tangible form of love of others. This is compassion!

Friends, this is extraordinary, and I am proud to be part of KKI.

Silverius Oscar Unggul

Co-founder and President of Perkumpulan Telapak

I still remember the first time I met with Leon when he just started KKI in 2011. I saw his genuine commitment to improving the lives of others, to the point of deep personal sacrifice. I knew then that KKI is the organization that I should support. Over the years, Leon has built a team that shares his passion and ideals in KKI.

Farell Sutantio

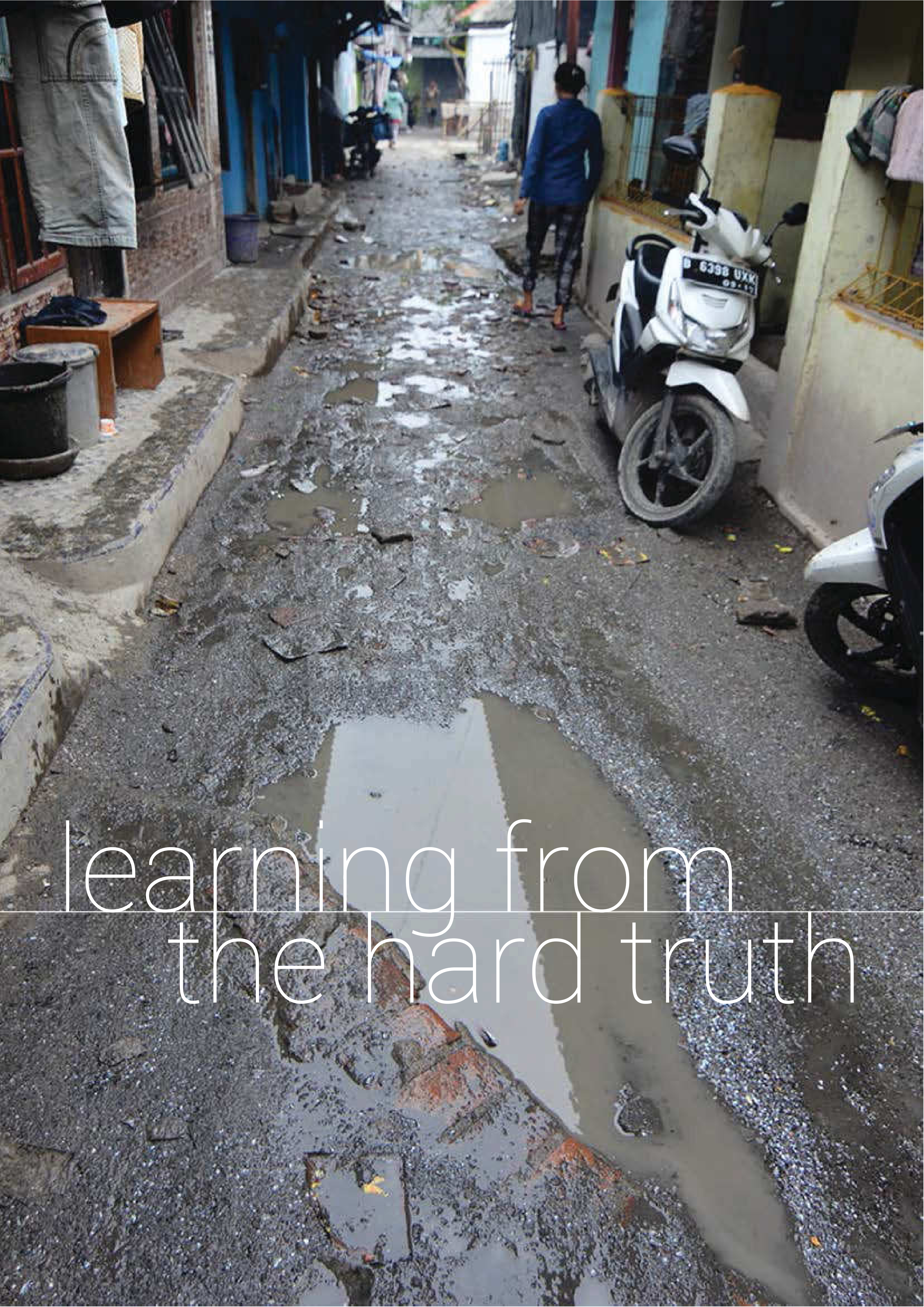
CEO of Cimory

My husband and I agree to share with those who may have disadvantages in life. But rather than giving them the "catch", what we really want is to help empowering them so that they can stand on their own two feet. We looked for programs that could help us achieve that and that's how we found Koperasi Kasih Indonesia. We admire Leon's work, being among those less fortunate to change their mindset and make them self-reliant can't be easy. We want to help Leon and his teammates in a way we can. We truly hope we can contribute making their lives better, more empowered, and help them break the chain of poverty.

Rismania Veradiza & Andi Tito

BUMN (*Badan Usaha Milik Negara*) Official & Civil Servant

learning from the hard truth



2015 In Review

OUTREACH

Define as active borrowing members at end of month

2015 marked KKI's biggest-ever member growth within a year. We added almost 3,000 members, from 5,033 to 7,994 members.

While this was encouraging and provided us with financial leeway to hire more people, we learned later in 2016 that it was not done in a sustainable way.

HIGHLIGHTS

Outreach Metrics *All currencies are in IDR*	Dec 2014	Dec 2015
Total members	5,033	7,994
Branch	1	4 (2 satellites)
Total loan disbursed in the year	9.7 billion	19.5 billion
Average Loan Size	1.2 million	1.4 million

Employees Metrics *BM = Branch Manager*	Dec 2014	Dec 2015
No. of full time employees	29	46
No. of BM & BM Candidate (BMC)	2 BMs* + 3 BMCs	2 BMs + 2 BMCs
Employee turnover	40 % **	24 %

** This includes Lucyana Siregar, Head of Operations who at that time still acting as Branch Manager*

*** 2014 KKI Annual Report stated 93% to include resigned staffs in probation period. Starting 2015 only contract and permanent employee turnover are presented to be more reflective of reality. The figure in 2014 is 40%.*

Financial Metrics *All currencies are in IDR*	Dec 2014	Dec 2015
Assets	4 billion	7.8 billion
Debts	2.4 billion	5.5 billion
Equity	1.6 billion	2.3 billion
Revenues	1.5 billion	3.5 billion
Expenses	1.4 billion	3.1 billion
Profit (Loss)	152.6 million	456.5 million

Highlights on members and leaders growth

- Main driver of member growth is availability of **Branch Manager ('BM')** and **BM Candidate** ('**BMC**' – a junior BM), because they determine number of Field Officer, whom in turn determines number of member.
- In 2015, especially until June, KKI enjoyed biggest number of BM and BMC ever, and it corresponded with member growth. 75% of growth in 2015 was achieved between Jan-Jun.
- Before 2015, in Jan-Jun 2011-2012, KKI only had 1 BM, and we grew from 0 to 682 members. In 2013, we had 2 BMs, and we grew from 682 to 3,065 members. In Oct 2014, we promoted 3 BMCs and we grew from 3,856 members in Oct to 5,033 in Dec (60% growth of the year). Those BMCs continued to grow in their leading ability, and accordingly, Field Officers they led. This became main growth driver in 2015.
- In July, one of our BMCs resigned. It's then followed by another BM in November. This hit KKI by storm as their replacement was not ready. We were forced to promoted 2 people who were actually not ready. From Jul-Dec 2015, KKI only had 729 additional members (vs. 2,232 members in Jan-Jun). Member growth slowed down, and it got even worse in 2016 (discussed in next page), where total members along the year dropped by almost 1,000.
- We learned, in 2016, that the main reason of the 2 persons' resignation was that we had grown too fast, and it created a burden on our team. When people got burn-out, they quit.

Highlights on Financial Metrics

- Overall, growth of BM & BMC drove almost everything else: Number of employee (29 to 46), branch (1 to 4), and finally member (5,033 to 7,994).
- Member growth driven amount of financing we need (total debt grew from IDR ~2.4 billion in 2014 to IDR ~5.5 billion in 2015), which was then resulted in revenue growth (IDR ~1.5 billion in 2014 to IDR ~3.5 billion) and correspondingly, expenses (IDR ~1.4 billion in 2014 to IDR ~3.1 billion)
- We ended the year with record-high profit of IDR ~457 million (from IDR ~153 million in 2014), and record-high assets of IDR ~7.8 billion (from IDR 4 billion in 2014)

2016 In Review

OUTREACH

Define as active borrowing members at end of month

2016 is probably the most important year ever for KKI. It is the year where GOD humbled people He appointed, through series of storms, to stop pursuing their own agenda and focusing on His.

2 of the worst storms were that we almost had to cut 2,000 members and have 3 of 4 KKI directors resigning. As the lessons were learned, GOD saved us from having to undergo both of it.

HIGHLIGHTS

Outreach Metrics *All currencies are in IDR*	Dec 2015	Dec 2016
Total members	7,994	7,048
Branch	4 (2 satellites)	4 (2 satellites)
Total loan disbursed in the year	19.5 billion	22.8 billion
Average Loan Size	1.4 million	1.7 million

Employees Metrics *BM = Branch Manager*	Dec 2015	Dec 2016
No. of full time employees	46	48
No. of BM & BM Candidate (BMC)	2 BMs + 2 BMCs	2 BMs + 1 BMCs
Employee turnover	24 %	30 %

Financial Metrics *All currencies are in IDR*	Dec 2015	Dec 2016
Assets	7.8 billion	7.6 billion
Debts	5.5 billion	5.5 billion
Equity	2.3 billion	2.2 billion
Revenues	3.5 billion	4.7 billion
Expenses	3.1 billion	4.9 billion
Profit (Loss)	456.5 million	(183.1 million)

Highlights on members and leaders growth

- Continuing from 2015 - pushing growth without realizing it had exceeded our capacity - we started 2016 with 7,994 members and reached 8,290 in March. We thought that reaching 10,000 members in Dec was possible.
- But it's our own agenda, not GOD - KKI's owner. We forgot – 'hypnotized' by our own agenda to grow fast - that growing too fast had already hurt KKI when 2 of our leaders resigned in 2015. We didn't want to stop.
- Finally, what happened in 2015 happened again, but a lot worse. One of the BMCs resigned in May, as he was burn-out. In 2015, when 2 resigned, we had 2 replacements, though they were not fully ready. In 2016, when 1 resigned, we had none. This was the 1st biggest storm in 2016.
- At that time, we had 4 branches, each covering ~2,000 members. Having 1 BMC resigning meant we needed to cut 1 branch and its 2,000 members.
- This situation created a lot of stress in KKI's management. In one heated discussion, 3 of 4 directors decided to resign, as they could no longer bear with Leon, KKI founder. This was the 2nd biggest storm.
- After that, Leon did personal reflection. GOD guided him that he had been pursuing his own agenda that KKI shall grow fast, and this in turn led him to make bad decisions and put too much burden on his 3 directors (and KKI as a whole). He must humble himself and follow GOD's plan, not his.
- Lessons learned, GOD gave miraculous solutions to both storms. One BM who resigned in 2015, rejoined and led the branch left by the resigning BMC. 2,000 members were saved. Leon reconciled with his team and they decided to cancel their resignation. GOD is good, He always is!
- 2016 ended with 7,048 members, down by 945 members. This reduction was done naturally by not replacing drop-out members, and it was by-design, as we were finally willing to admit the hard-truth that our foundation could not yet handle more than 7,000 members.

Highlights on financial metrics

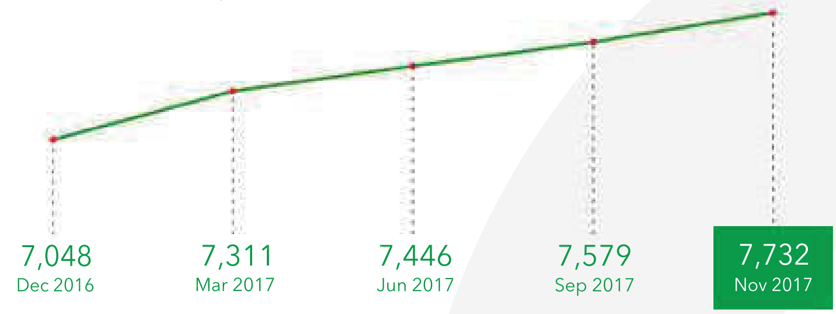
- Following drop in member number , assets also slightly dropped, from IDR ~7.8 billion in 2015 to IDR ~7.6 in 2016. Loss of IDR ~183 million was recorded, from previously recording profit of IDR ~457 in 2015. This loss happened because as costs grew in 2016, especially salary, revenues did not grow as much due to drop in member number.

looking ahead

2017 Plan

OUTREACH

Define as active borrowing members at end of month



While 2016 was the year of challenges and learning from the hard truths, 2017 was when we started to look deeply into our issues and aimed to improve.

We realized that we had to look at our long term goals and set strategic plans that support our vision. Some key initiatives were to prepare pipelines of future Branch Managers, increase operation efficiency, and implement solid IT system.

KEY TIMELINE

Jan 2017

Kumpulan (or, groupings)

In Jan 2017, approximately 770 KKI borrowing groups still had each their time slot for weekly loan repayment. From morning till late afternoon, our Field Officers go door to door to collect the repayment.

To improve efficiency, we launched a new operations procedure whereby 1 field staff collects repayments from 2-3 groups at one go. As such, Field Officers will have their afternoon free to serve clients and increase their skills, which is key to branch performance.

This initiative takes time to complete to introduce new procedures to all operations staffs and our members.

Expected completion date: Sep 2018 (expected progress: 45% by Dec 2017)

Apr 2017

Normalizing Branch Outreach

Each of KKI 4 branches would be normalized to achieve a healthy Branch Managers to-Members ratio and eliminate the overburden problem. Depending on capability, one BM is now aimed at managing 1,500-2,000 members, from previously hitting 8,200 members with effectively only 3 BMs in 2016.

Completed: May 2017

Jun 2017

Vice Branch Manager Preparation Program

An annual program that trains Field Officers to learn about aspects of becoming a Vice BM and selects qualified candidates for actual promotion. 2017 program gave birth to 2 Vice BMs.

Completed: Aug 2017

Jul 2017

Promotion of 2 existing Vice BMs to BM Candidates

Last year's promoted Vice BMs were promoted as BM Candidates, qualified to lead small branches. This promotion was extremely crucial to grow and scale. This month we established 2 small satellite branches, making a total of 6 KKI branches.

Oct 2017

Procurement of new IT System

The current IT Software is not fully developed yet when the IT programmer quit from providing pro-bono service to KKI. After in-depth analysis and consulting with experienced persons, we decided to procure a solid system that will definitely help KKI to grow. The first step is to negotiate price with the vendor and learn the requirements for internal early assessment.

Expected deal date: Mar 2018

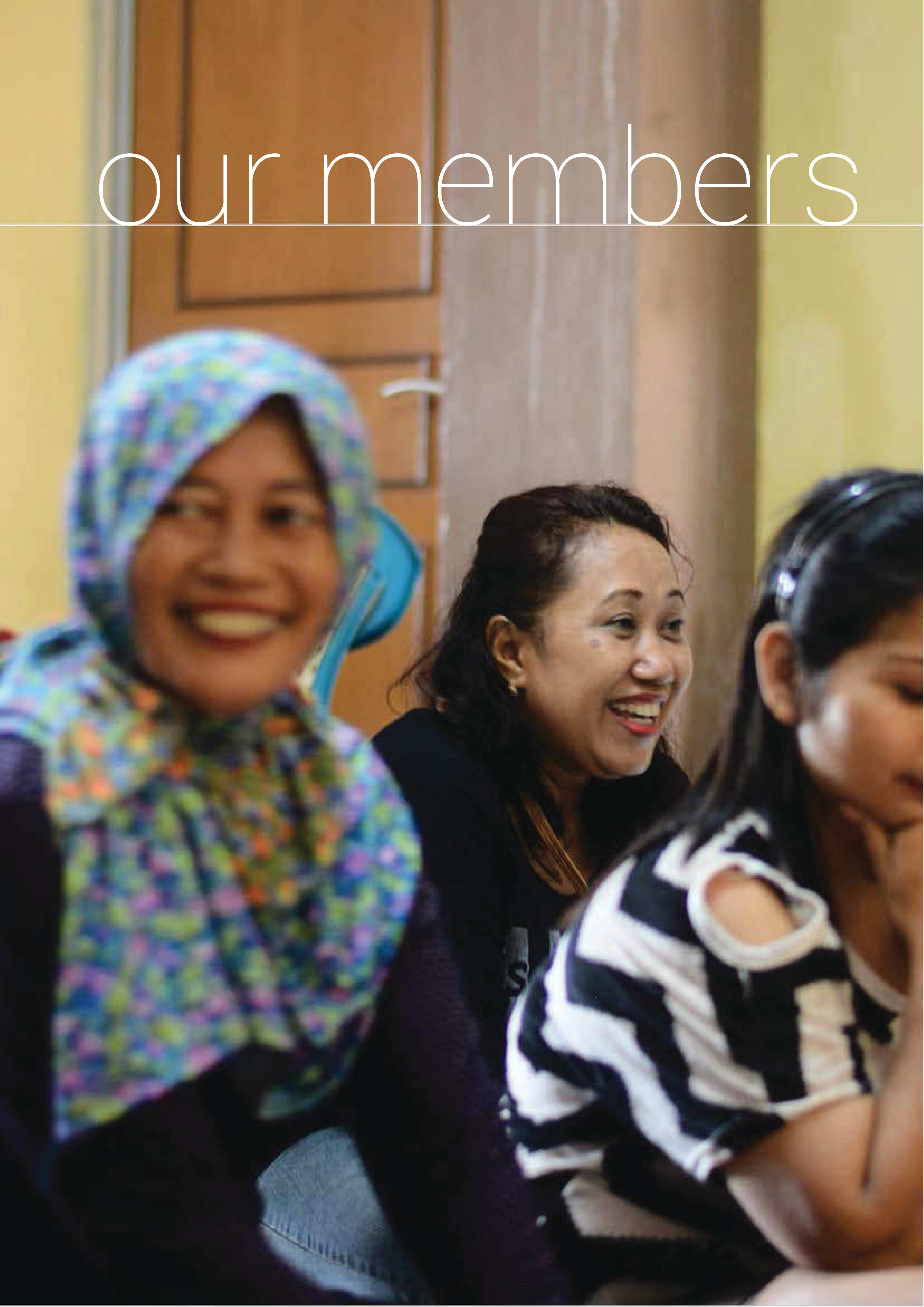
Dec 2017

IT Implementation Project Preparation

Internally KKI has to ensure all procedures and requirements are in place before progressing with the vendor. However, many of operations procedures have not been set yet and some are still applied on a case by case basis. Thus, we will be heavily focused on preparing the minimum required procedures for IT implementation.

Expected completion date: Mar 2018

our members



Achieving Dreams

"....SAYA MAH GAK MALU SAMPE NGOREK-NGOREK GOT BUAT CARI BARANG.

KAN YANG PENTING HALAL......"

At a tender age of 14 years old, Bu Amnah decided to come to Jakarta to work. She lived at her aunt's house and together, they scavenged from house to house. She was then married to her current husband, also a scavenger. Her little family earned a relatively good sum of 3.2 million per month from collecting waste.

In 2009, Bu Amnah thought of becoming a garbage collector, a level up from scavenger. Collectors buy items from many scavengers and sell them to factories. However it required significant capital to be a collector, as they had to first buy garbage from scavengers, before later getting paid by the factories.

Bu Amnah and her husband were extremely motivated to accumulate the capital. She and her children worked extra by deshelling clams. 1 kg of clams earned 3 thousand rupiah and they completed 50 kilo a day. Then, starting 10 pm, Bu Amnah and her son would start scavenging, up until 3 am. Her husband also doubled as fisherman, after a day long of scavenging. It was a hard life, with the most hurtful being looked down by others, as she recalled.

They kept up with the routines for 1 year before were finally able to start as a small garbage collector. As things started to run well, Bu Amnah often questioned, why did her life not improve much?

In 2011, KKI officer offered Bu Amnah to join but she refused. She felt she earned enough. Only when our officer explained that other than loan, she would also receive training and savings facility, she agreed. During KKI's mindset-motivation training, she found the answer she had been looking for. She realized that she had spent every rupiah she earned.

Since the training, she was determined to save. She realized that she needed a truck to transport the garbage to factories, otherwise renting a car would cost her 300 thousand a day. Once she saved enough, she dared herself to pay a 10 million down payment for a second-hand truck. Her business flourished.

In 2015, when we interviewed her, she and her husband were the garbage collector for 10 scavengers. They earned significant income, around 10 million per month. Her hard work paid off as she now did not have to walk from house to house again and be looked down upon. Scavengers came to her place regularly to supply the garbage. She was proud of her job and her achievements.

She said that her next dream was to buy a land and build her own house, which we pray it would come true. She gratefully said, "If I did not meet KKI back then, I would still continue to be a spendthrift and my business would not progress at all!"

Achieving Dreams

"...KKI INI TIDAK AKAN SAYA LEPAS. SAYA DAPAT ILMU DARI KKI DAN SAYA JADI MAKIN SEMANGAT MENABUNG..."

Ibu Dasirih

"Bu, how much savings do you currently have?" asked KKI officer. "Yaa.. around 21 million" said Bu Dasirih shyly, shocking the officer. Where KKI operates the average savings per member is around 120 thousand rupiah.

Bu Dasirih did not have it easy. Her struggle started in 2009 when her husband was laid off. With no income, soon her family ran out of money. One day, she had only 50 thousand rupiah and thought how to survive with it. She decided to go to the market. She came back with a pack of flour and eggs, set up a table in front of her rented house, and started selling "maratabak telur". Bu Dasirih earned small but stable income.

3 years later in 2012, KKI entered the area and offered Bu Dasirih to join. She was interested because she wished to buy a fridge to sell cold drinks. Back then, KKI would only give 500 thousand rupiah in loan to new members. The small amount did not deter Bu Dasirih. She applied for the loan and sold her gold bracelet so that, combined, she had enough money to buy a fridge.

Bu Dasirih understood the importance of savings even before KKI. However she saved mainly for Lebaran. It is very popular amongst low-income population to save daily for 1 year. When Lebaran comes, they withdraw the whole savings. Learning from KKI training and as her business picked up, Bu Dasirih started to save up more for her dreams.

When we interviewed her, Bu Dasirih told us an interesting story. She kept a piggy bank in her house and no matter how much she earned, she would save 10 thousand rupiah every day. Her family performed a very unique yearly "ritual" to crack the piggy bank, together decided what the money would be used for, and then cemented the piggy bank back.

Her hard work and persistence finaly paid off. Bu Dasirih had been dreaming to own a house after renting all her life. In 2014, she was able to purchase a rundown house. She and her family helped the construction workers so as to save the cost of building the house.

Fast forward today, Bu Dasirih manages a stall with 3 freezers and many more items. She owns 3 motorcycles that she bought in cash. She lives in her own house. The best of all was when Bu Dasirih proudly told us that each of her children also had a piggy bank, and as a mother, Bu Dasirih instilled discipline in saving up before purchasing items.

She closed off the interview with saying, "I want to always join KKI, as this is where I learnt about savings. It really motivates me to save up!"

Exposures 2015-2016

MEDIA FEATURES

DAAI TV (Sep 2015)

Peperangan KKI Melawan Kemiskinan di Cilincing on Kompas KLASS (Sep 2015)

Kick Andy on Metro TV (Jul 2016)

Bunga Hutang Berbuah Kesejahteraan on Metro 360 (Dec 2016)

CONTRIBUTORS

"The art of sustainable giving: Priorities to accelerate Social Enterprise growth in Indonesia" by Boston Consulting Group (Aug 2015)

"Berani Jadi Wirausaha Sosial?" by DBS Foundation (2016)

PRESENTATIONS & SHARING

British Council, Jakarta

DBS Foundation Social Enterprise Summit, Singapore

Dreamcatcher Summit, Bandung

Indonesian Youth Diplomacy, Jakarta

MKIS (Masyarakat Kristiani Indonesia), Singapore

National Gathering Niciren Syosyu Indonesia (NSI), Jakarta

Professional Network Gathering (invited by Bapak George Hadi Santoso), Jakarta

St. Stefanus Catholic Church, Jakarta

SanMaRe Church, Jakarta

Youth Fireplace Community, Jakarta

PARTNERSHIPS

CIMB Niaga Community Development Group

Indonesia Bright Foundation

Jakarta International School (JIS)

Penn Microfinance

VISITING INSTITUTIONS

Entrepreneurs' Organization Indonesia

Jakarta International School (JIS) Microfinance Club

Penn Microfinance

PT Cisarua Mountain Dairy (Cimory)

Young Presidents' Organization Indonesia

Accion

Grameen Credit Agricole

Oiko Credit

TRAINING & ACCELERATORS

CARD MRI, Manila (5 days)

Jolkona Catalyst, Seattle (3 weeks)

LEARNING VISITS

Dana Mandiri Sejahtera, Tangerang (2 days)

Mitra Bisnis Keluarga, Subang and Lembang (4 days)

Gallery

Operations team performing monthly coordination

KKI Field Officers on their bikes through heat and rains to serve the poor

Field Officer crossing the river by local raft

Disbursing compulsary savings at end of loan cycle

Admin & HR team working at KKI head office in Cilincing

"When everything seems to be going against you remember that an airplane takes off against the wind, not with it"

-Henry Ford

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