



Alpha JWC Committed to Back Visionary Founders to Build Scaleable, Sustainable and Successful Technology Companies in Indonesia

Indonesian start-up scene is blooming at a fast rate. Indonesia has three unicorns to date — meaning that start-up founders are proving to the world that Indonesia has a lot of potential in technology sector. Alpha JWC Ventures is here to unlock Indonesia's huge value and to bring Indonesia into a key player in the global technology stage.

Alpha JWC currently manages a US\$ 50 million fund for high quality institutional investors in Asia, US and Europe. Alpha JWC sees opportunities in Fintech, SaaS, big data analytics, marketplace and e-commerce as high-potential investment trends, and have made compelling investments in leading tech start-ups within these sectors. Alpha JWC is planning to raise its next fund within the next year to continue its mission to bring

Indonesian companies global and to capture compelling opportunities in backing visionary founders in Indonesia and Southeast Asia.

With seven investment professionals onboard and offices in Jakarta and in Singapore, Alpha JWC has a long experience and extensive knowledge in the sector both domestically and globally. Collectively, Alpha JWC's co-founders have invested in more than 50 companies globally in the past decade with strong exit track record. Chandra Tjan, Alpha JWC's Co-Founder, was the first investor in two Indonesian unicorns: Traveloka and Tokopedia, and he previously co-founded East Ventures.

Alpha JWC's Co-Founders' long experience in the market allows them to understand the market better and back some of the

leading tech first movers, such as Funding Societies / Modalku, UangTeman, OnlinePajak, Sepulsa (all four are now the leading fintech in Indonesia), and Dattabot (Indonesia's leading big data and analytics company).

"We believe in Indonesia and we understand the market very well. We have good connectivity with key tech stakeholders in neighboring countries and beyond, thus we are confident that Alpha JWC is in a unique position to capture tremendous value and work side by side with our founders to build a scaleable, sustainable and successful technology companies in Indonesia," says Alpha JWC's Co-Founder Jeffrey Joe.

Alpha JWC takes a long-term approach when partnering with

their founders. The Firm believes that relationship between a venture capital and a start-up should not be all about money. More importantly, it is about strong partnership to grow together. Alpha JWC works closely with companies' founders and strive to be a value-adding partner, from helping with recruitment of the right talent, revenue-generating business development, business model and growth strategy, and operations improvement. In addition, the Firm invests from seed to series B and the sizeable fund allows Alpha JWC to continue to support the founders meaningfully as they grow.

Alpha JWC has a clear investment thesis. The Firm currently invests in 15 companies, ranging from co-working space (Spacemob), fintech (Funding Societies / Modalku, UangTeman, OnlinePajak, Sepulsa), marketplace (Carro), to e-commerce (StyleTheory and Sale Stock). Alpha JWC has also established strong institutional following with later-stage global investors such as Softbank and Sequoia Capital. The Firm recently has an exit, as Spacemob was acquired by WeWork in August 2017.

Alpha JWC continues its mission as a thought leader by being actively engaged in Indonesian tech community. In addition, the Firm is now expanding and has moved to Spacemob WeWork Jakarta to actively support the growth of Indonesian tech ecosystem to bring Indonesian tech start-ups to the world stage.



Sepulsa Takes Steps to Digitize Offline Distribution Market in Indonesia

After conquering the online bill payment market in Indonesia, Sepulsa is eyeing for an offline growth.

In less than three years, Sepulsa has been successful as the top bill payment service provider in Indonesia, with an annual sales of more than US\$ 100 million;

and working with the biggest e-commerce players in the country, such as Lazada, Bukalapak, and Tokopedia, for its bill payment aggregator service.

Sepulsa is now expanding their business to digitize offline distribution network in Indonesia. Seeing the massive opportunity to digitize Indonesian traditional market that still comprises ~90 percent of the economy and 65 percent of the telecommunication market, Sepulsa is bringing their tech superiority to the underbanked

population throughout the country.

"So far we have conducted pilot projects in few cities throughout Indonesia with more than 10,000 sellers onboard." Ananto, Sepulsa Co-Founder says. "We are proud that the progress has been better than what we have planned in the beginning."

As a tech-focused company, Sepulsa is now expanding their talent pool by opening a technology center this month in Malang, East Java.





Funding Societies/Modalku Strengthens Position as The Leading P2P Lending Fintech in SEA

Funding Societies, the only P2P lending fintech operating in three countries in Southeast Asia, completed last quarter with stellar achievements, including a total disbursement of over US\$ 50 million to hundreds of Small and Medium Enterprises (SMEs) in Indonesia. Funding Societies is the only P2P lending fintech to have been granted license in three markets: Indonesia, Singapore, and Malaysia.

Funding Societies, which goes under the name 'Modalku' in Indonesia, won United Nation's ITU Global SME Awards in September for its impact in helping SMEs through the use of technology. The company is the first from Asia to win such accolade. They also received an important acknowledgement in August as they were named to CB Insights Fintech 250 — a group of global emerging companies working on groundbreaking

financial technology. Funding Societies is the only company from Southeast Asia on the list, alongside 23 international unicorns such as UK-based FundingCircle.

"This means that our work is acknowledged. The awards do not define us, but they validate the work we have been doing," Co-Founder Reynold Wijaya says.

"Winning the Global SME Awards is like winning the world cup. It's great for us and for Indonesia. It puts Indonesia on the map and let the world see what this sleeping giant can do," Co-Founder Iwan Kurniawan adds.

Funding Societies boasts a wide range of products, from providing SME Business Loan and Invoice Financing, FS Bolt (a mobile-only app for quick business loan), to opening opportunities for individual investment. It recently launched a merchant cash advance (MCA) system to reach local SMEs that otherwise have no access to secured and flexible loans. MCA has been proven effective in many countries including the United States and China, and Funding Societies is proud to be the first fintech to bring it to Indonesia.



Founded in 2016 with the help of Alpha JWC as its first institutional investor, Funding Societies has secured its Series A round funding from Alpha JWC and Sequoia Capital to continue its expansion in the region.

"We have the best talents here. We share knowledge to each other and localize it to each country," Reynold says. "We act as a big company, but we study the users and customize the products to deliver the best for our users."

Funding Societies has also successfully embraced strong local financial institutions in every market as they partner with major banks as their fund custodians: Bank Sinarmas in Indonesia, RHB Bank in Malaysia, and DBS Bank in Singapore — making Funding Societies the first P2P lending platform to do so in South East Asia.

Taking one step at a time, Funding Societies aim to be the largest fintech in Southeast Asia, starting by continuously improving their credit scoring mechanism.

"Our credit scoring is based on each applicant's profile which we run through our fraud assessment and data analytics. So, it is always progressing. The more data we have, the better improvement we can do," Reynold says. "Some of our products in Singapore are starting to be automatically processed. Technology makes the process even faster."

"The Modalku team is unique in its ability to excute aggressively yet in a thoughtful manner. We are proud of the fact that Modalku has made a real difference in furthering the public good where the company helps Indonesia achieve financial inclusion", says Alpha JWC's Co-Founder Will Ongkowidjaja.

STYLE THEORY Style Theory Ready to Dress Up Indonesia's Wardrobe

After its success in Singapore of serving thousands of customers and revolutionizing the fashion industry, StyleTheory, a clothing subscription company, is ready to bring their top-notch fashion sense to Indonesia.

StyleTheory has been helping shoppers save on clothing cost, and more importantly, give the answer to most women's number one problem: 'I don't have anything to wear (again)!'.

Running on a similar business model as Rent the Runway, Style Theory gives women choices of fashion items, from dresses to bags, without having to buy them. Style Theory currently partners with more than 90 brands, such as Zac by Zac Posen, BCBG Max Azria, and Phillip Lim. The number is expected to go up next year as the



company is eyeing to engage with local designers from Southeast Asia, Turkey, and Russia as well as regular fashion forward cities like London, New York and Paris.

The key to their success? Providing real answer to real problem.

"We invested little money on marketing. The business practically grew on word of mouth," Co-Founder Raena Lim says. "Women do face problems with clothing and we are solving those problems. Customers love the novelty of our service and how it changes their lifestyle so they don't have to shop and can even save money. Some subscribe for environmental reasons, and some for weight fluctuation problem. For example, pregnant women opt for our service rather than splurge on new, bigger clothes they wouldn't use after

giving birth."

After their success in Singapore, Style Theory is now expanding to Indonesia.

With only IDR 990,000 (US\$ 75) subscription fee per month, users can get access to StyleTheory's unlimited wardrobe, where they can choose three items that will be sent in a box to them — with no additional charges should they want more rounds of fashion!

"When we were learning about our customers in Singapore, we found out that some of them were Indonesians who sent our boxes to Jakarta! We then conducted surveys and turned out there's demand for our product there. The size of the market is validated by the number of waitlist we've had so far. We already have the network needed as Chris

(StyleTheory's other Co-Founder) knows the market well. Now we just have to make sure the business runs smoothly," Raena says.

"The risk is minimal as we're targeting similar consumer group as in Singapore. Moreover, Indonesia can even be a better place for our service in terms of logistics and platforms. People are so used to getting deliveries on daily basis, so they would be more familiar with our service."

The challenge, according to Raena, would be the lower credit card penetration in Indonesia compared to Singapore. However, the company is already thinking about opening other ways of payment such as cash on delivery.

To conquer the Indonesian market, StyleTheory, whose seed funding came from Alpha JWC, has secured series A funding from Alpha JWC and Softbank. As a first step, StyleTheory will cover Jakarta area before expanding to other cities in Indonesia.



UANGTEMAN®

UangTeman Secures US\$ 12m Series A Funding and is Poised for Further Growth

UangTeman has successfully raised US\$ 12 million in their oversubscribed Series A round. The fund includes contributions from new and existing investors: Alpha JWC, who is the company's first institutional investor, and other quality investors such as K2 Venture Capital and Draper Associates. This deal also marks the debut Indonesian investment of Draper Associates, a well-established venture capital firm from Silicon Valley.



STI Financial Group, a Hong Kong-based asset management company, is also providing debt financing to UangTeman to support their lending capital requirements in Indonesia.

"We are proud to be a value-added partner to UangTeman in the past two years. While many people understand the huge potential of fintech in Indonesia, UangTeman has managed to execute really well. We are thrilled to work with UangTeman and the new investors in this round to grow the company to the next level," says Jeffrey Joe, Co-Founder and Managing Partner of Alpha JWC.

With the fund, UangTeman plans to expand its engineering team, deploy more marketing strategies, and get to know their customers better.

Launched in 2015, UangTeman is Indonesia's first digital lender providing short-term unsecured micro loans of no more than IDR 5 million (US\$ 350) to Indonesian consumers at a maximum of 30-day tenor.

This year, UangTeman has seen almost 500% in loanbook growth, with write-off ratio below 2 percent. UangTeman is now the only fintech lender in Indonesia that is providing safe and transparent loans to underbanked Indonesians in more than 16 cities including Bali, Makassar, and Sumatra.

"For now, we will be focusing on increasing our market shares in these 16 cities as they already represent 70% of Indonesia's economy. We will also go to their surrounding suburban areas to expand," Aidil says.

In addition to focusing on their existing market, UangTeman is expanding to B2B services. The company is partnering with SMEs to provide loans to their employees using UangTeman's platform.

The company is also opening data science and analytics centers in Singapore and India to support UangTeman's expansion goal. In the future, Aidil says that his company is seeking to expand to other countries in Southeast Asia as well.

Furthermore, UangTeman finished last quarter on a high note. The company received four awards in the past three months alone: 'The Most Trusted Company In Microfinance Service of The Year 2017'; 'The Best P2P Lending Platform for Individuals' at The Asian Banker Excellence Financial Services Awards 2017; 'The Pioneer of Online Loan Service in Indonesia' from the government; and 'Digital Innovation Award 2017 in Fintech' from Warta Ekonomi. UangTeman also welcomes Firdaus Djaelani, a former commissioner at Indonesia's Financial Services Authority, as their advisor.

EVENTS



The First Alpha Leader Series Brings Tech Executives Together for an Evening Full of Knowledge

More than sixty people gathered on Wednesday, Oct. 11, for Alpha JWC's first installment of its Alpha Leader Series.

The series is part of the Alpha JWC's role as the thought leader to build Indonesia's start-up ecosystem. For the first event, Alpha JWC brought forward the topic 'can we build world class tech companies in Indonesia?'

At the event four tech leaders

from Alpha JWC's portfolio companies presented their insight about the market and technology advancement they have done in their respective companies.

Ananto Wibisono, the Chief Executive Officer of Sepulsa — Indonesia's top online bill payment service and aggregator, shared his analysis of the change in tech culture in Indonesia.

"Before the start-up era, tech team was always a one-man show that

had to fulfill request from everyone in the company. The team had to become programmer, system analyst, administrator, and even project manager. It was like there was only 'one language' to rule them all! But, they didn't — or didn't have to — understand the business side of the company they're working at," he said.

The current start-up era, according to Ananto, brings some changes. Now, tech teams fulfill requests from the project manager, and they have specific roles per person. The new generation is able to use various kinds of programming language, but often master none of them. But, they still don't understand the business.

"So, that's the challenge for tech companies: how they can and want to understand the business," Ananto said. "Also, how they can spare time to improve their capabilities, have structured work style, take notes and then implement best practices. That's what it takes to maximize tech people and create a strong culture."

Garindra Prihandono, the Chief Technology Officer at Sale Stock Indonesia — Indonesia's no. 1 women fashion e-commerce, took on the importance of increasing engineering productivity in a tech-based company such as Sale Stock.

Garindra explained that engineering productivity is an important aspect for Sale Stock as it is a vertically integrated company which builds its own software, yet does not hire a lot of developers.

"That's why team members need to be capable. We give them great environment to work in and well-designed tools," he said. "We provide options for them to work remotely, we provide skills development support, and we even have regular company hackathon."

Tool-wise, Sale Stock implements a separation of engineering layer, uses shared code-base web and apps, and uses cloud/remote development machine to provide their developers the means to improve their skills

and end-products.

The other two speakers weighed on implementing the best practices to Indonesian tech start-ups.

Steve Lewis, the VP of Product and Engineering at Dattabot — Indonesia's leading data analytics company, shared how he brought his Silicon Valley experience to Dattabot.

Steve, who came to Southeast Asia for an adventure and its green field opportunities, elaborated the challenges he faced when he started working in Indonesia.

“There is a gap in tech talent in Indonesia and fierce competition for existing talent pool. In addition, tech talents in Indonesia don't get exposed enough to critical thinking

and there's a lack of mechanism for shared learning.” he said.

Steve then shared about Dattabott's effort to be better in the process, people, and tech, but he closed his session with an emphasis on cultural change that is needed the most.

“There should be a focus on customer and it is important to provide the team with an accelerated learning. Companies also need more positive reinforcement to motivate the team. Make it a great place to work, make the people energized and push them to learn cool new stuff. You can try by holding regular tech talks by team members to drive innovation. Then, we can talk about tooling up to win the market place.”

Angky William, the Chief Technology Officer at Stoqo —

Indonesia's pioneer marketplace + SaaS for F&B businesses, continued with his take on building a local tech team through an Amazon lens. After working at Amazon in Seattle, Angky moved to Indonesia to build Stoqo. As much as he wanted to implement Amazon's proven successful values, Angky realized that not everything can be applied in Stoqo.

“So, we just make it the Stoqo way!”, he said with a laugh. Adapting Amazon's values to local culture, Angky concluded that Stoqo's day-to-day practices have to emphasize on building the right products. “We work with business team and customers, and automate tools to build the right products through customer validation, user profiling, and many more. We focus our limited resources in building

maintenance-light solutions. We prepare as much off-the-shelf solutions as possible, we use few language and few frameworks, and we use resources with high community support,” he said.

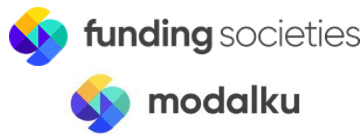
Jeffrey Joe, Alpha JWC's Co-Founder and Managing Partner said “Our founders have extensive experience in their respective areas and there are a lot of great learnings that could be shared with key technology stakeholders in Indonesia. Alpha JWC family strive not only to create successful businesses in Indonesia, but also committed to build a stronger technology community in the region. Hence we will have this event regularly to help accelerate the growth of our ecosystem.”

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STYLETHEORY

Southeast Asia's leading 'Netflix for fashion' — providing infinite designer fashion items through monthly subscription



Indonesia's leading bill payment platform



Indonesia's leading digital lender providing short-term unsecured micro loans



Southeast Asia's leading marketplace for used cars



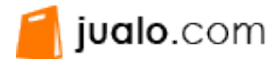
Indonesia's no. 1 women fashion e-commerce



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