



INDONESIA OPERATIONS
MARCH 2020

Since 2016 Alfa Finance is present on Indonesian market with **Kreditcepat** brand and in Polish market with brand **Tanikredyt**

The Company uses **advanced risk assessment** and **CRM tools** to have ever improving level of automation

Alfa Finance is an **innovative** and **fast-growing** fintech company based in European Union operating in consumer finance in Europe and South-East Asia. The Company operates a **P2P lending platform *DoFinance.eu*** offering its customers investments in single payment short term loans (up to 30 days) in **Indonesia** and **Poland**.

Strong growth potential in South East Asia due to **know-how** and experience



Alfa Finance has modular, **scalable IT system** with automated process

Alfa Finance specializes in assessing **risk** of underbanked private individuals

Key Facts

2,08M
Customer database

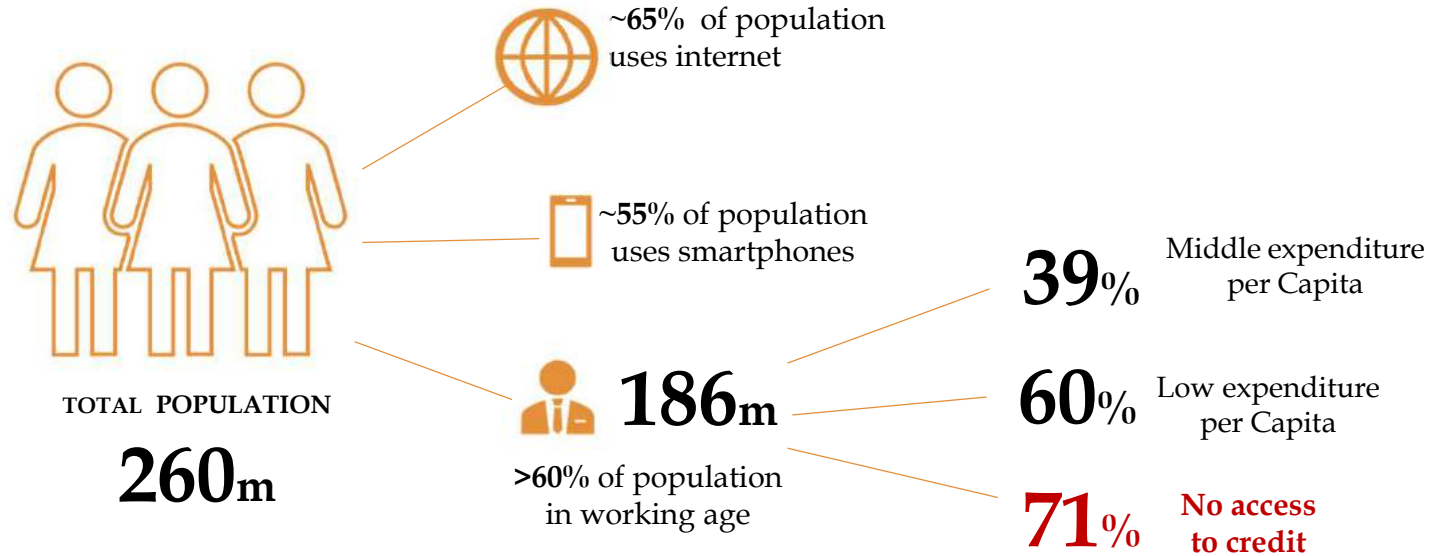
377k
Total number of loans issued

\$100M
Cumulative principal issued in loans

130 employees
Multicultural and experienced team from 4 countries

Substantial investments have been made into the IT system that manages the whole underwriting, service, and collection process.

Market potential in Indonesia

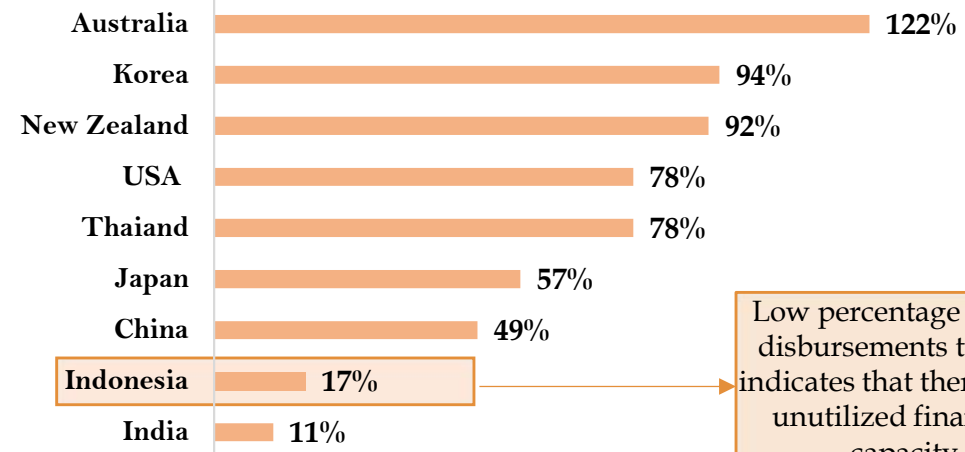


Key drivers of Fintech Lending companies

- Steady growth of mobile phone subscription, which support adoption rate of Fintech companies
- Collaboration of Fintech lending companies with digital platforms and e-commerce companies
- Development of supportive IT infrastructure and digital IDs, resulting in wider coverage and faster KYC process, which will produce steady retention and adoption ratio



Household Debt per GDP by country



Low percentage of loan disbursements to GDP indicates that there is still unutilized financing capacity

Shareholders with **strong entrepreneurial** background and experienced Management team



Modular and scalable **IT system** that can be **easily integrated** with external partners thanks to highly skilled IT personnel in Europe.

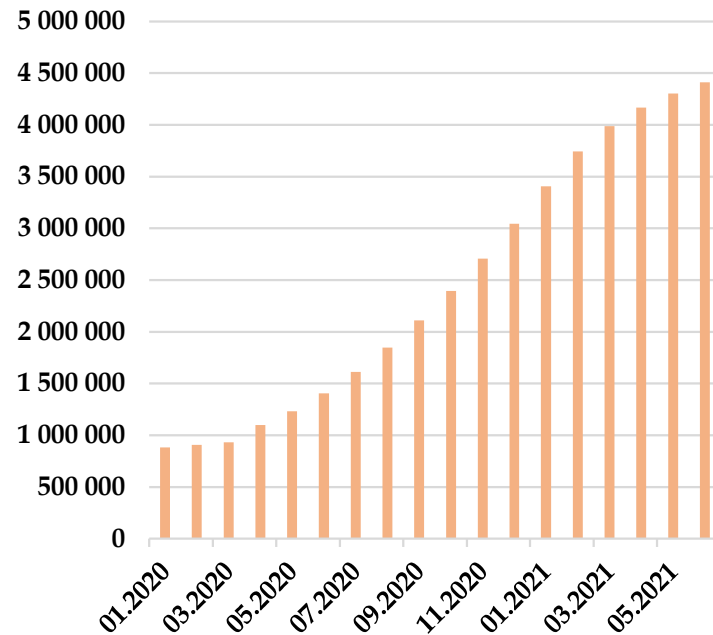


Fintech ecosystem is expanding at a **very fast pace** in Indonesia providing unlimited growth potential, if entered at an early stage.

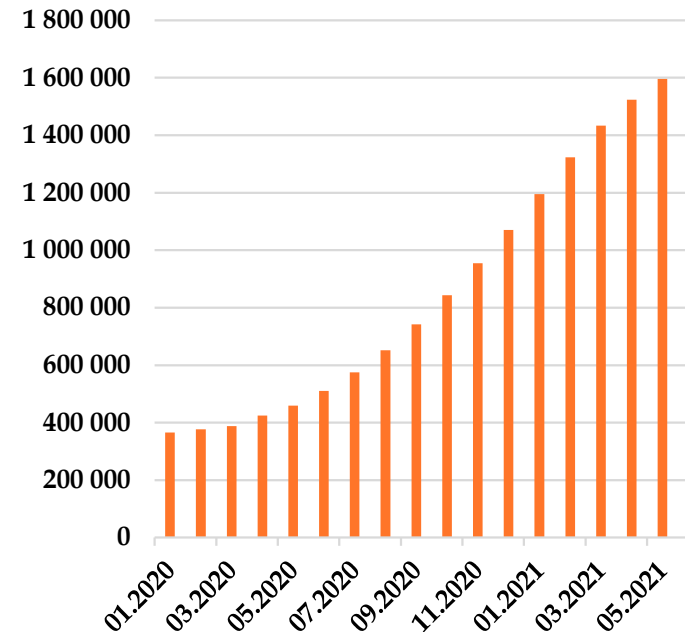


Kreditcepat has made investments to develop an **advanced IT system** and is fully compliant with the latest OJK (Financial Regulator of Indonesia) requirements as updated in February 2020.

Principal (USD \$ per month)



Total Revenue (USD \$)



Alfa Finance is registered and supervised by the Indonesian Financial Regulator (OJK). Currently Alfa Finance is undergoing its first official audit by the financial regulator. Such audits will be performed once every 3 months in order to verify if the entity complies with regulations, that cover risk mitigation, risk insurance, and general conduct of a financial institution.

Alfa Finance operates in fast-growing P2P lending market in Indonesia. Indonesia loan portfolio is funded by own capital and P2P platform - DoFinance.eu based in European Union.



To facilitate fast growth of the business Alfa Finance is looking for **strategic financial partner** to significantly scale operations and **exploit the growth potential** in Indonesia. Currently Alfa Finance is in negotiations with few of the **biggest** Fintech companies in Asia to develop synergies.



Alfa Finance is a **flat and efficient organization** and its Indonesian operations are run in a very lean manner servicing 130 000 client applications every month with just 50 operations employees (underwriting, payment processing and debt collection altogether).



Highly automated underwriting process requires very little human intervention and is still being improved. It has a capacity of **being easily scaled** without major cost increase.

2016

2017

2018

2019

2020

January

June

May

June

March

Operations



Registration

Registration

On 8th of June 2018 registered company in OJK

New office

Due to expansion of operations, company moved to a larger office in financial district

ISO27001

For compliance reasons, Alfa Finance Indonesia obtains ISO27001:2013

Licensing

By end of March 2020 expected to complete the first audit by OJK.

Employees



June 2016

9

employees

June 2017

11

employees

February 2018

50

employees

February 2019

60

employees

November 2019

82

employees

Customers¹



First customer

1,000 customers

10,000 customers

50,000 customers

77,000 customers

Loans



First loan

10,000 loans

50,000 loans

100,000 loans

170,000 loans

¹Customers defined as individuals who took at least one loan

Consumer loans



Age	21-60
Location	Indonesia
Maximum loan size	8m IDR
Coverage	Unsecured
Loan period	Up to 30 days
Interest rate	8,4%-24% per month

Employer loans



Age	21-60
Location	Indonesia
Maximum loan size	20m IDR
Coverage	Secured by employer
Loan period	Up to 90 days
Interest rate	5-10% per month

Farmer loans



Age	21-60
Location	Indonesia
Maximum loan size	25m IDR
Coverage	Secured by commodity ²
Loan period	Up to 180 days
Interest rate	2,5-3,75% per month

E-Commerce (planned)

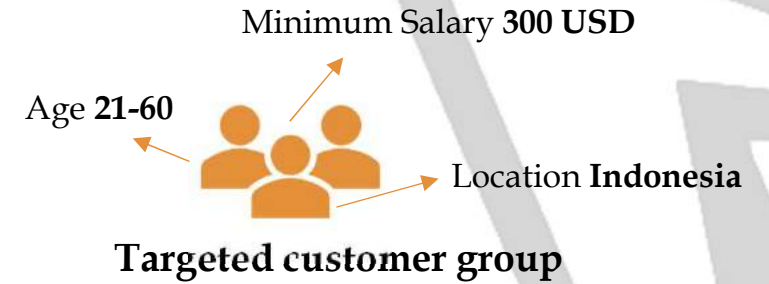
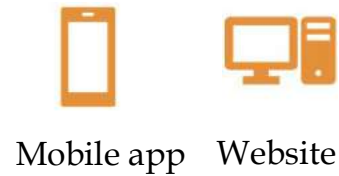


Age	21-60
Location	Indonesia
Maximum loan size	5m IDR
Coverage	Secured by goods
Loan period	-
Interest rate	-

² PT Alfa Finance Indonesia has special claiming rights and arrangements to secure the value of the underlying asset.

Alfa Finance offers **small-size loans** with flexible interest rates and duration. Customer can borrow up to 1700 USD for up to 180 days.

Sales channels



Registration & Sign up



Customers **fill the form** providing personal data like name, surname, ID number, phone number, address, employer contact and monthly income & liabilities

Verification



Customer **verifies** submits pay slip, selfie and a photo of ID document

Customer assessment



System evaluates customer credit score based on scoring model created by Alfa Finance Risk Team. Does **fraud detection** by comparing ID and selfie, verifies information in 3rd party data centres, and own database.

Money Transfer



If the scoring points were high enough, system will **automatically transfer** the money to the customer with fast payment method.

Extension / Loan repayment



Customer has to **pay back loan** before the due date. In case customer will not be able to repay the loan, customers can **apply for extension** or partial payment program.

Loan repayment



Customer repays the loan after the extension period. In case customers will not pay back the loan, **Alfa Finance Debt Collection** team will proceed with collection process

Key business partners

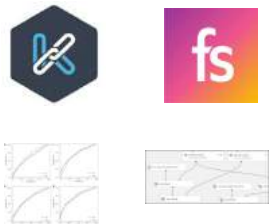
Smart Marketing



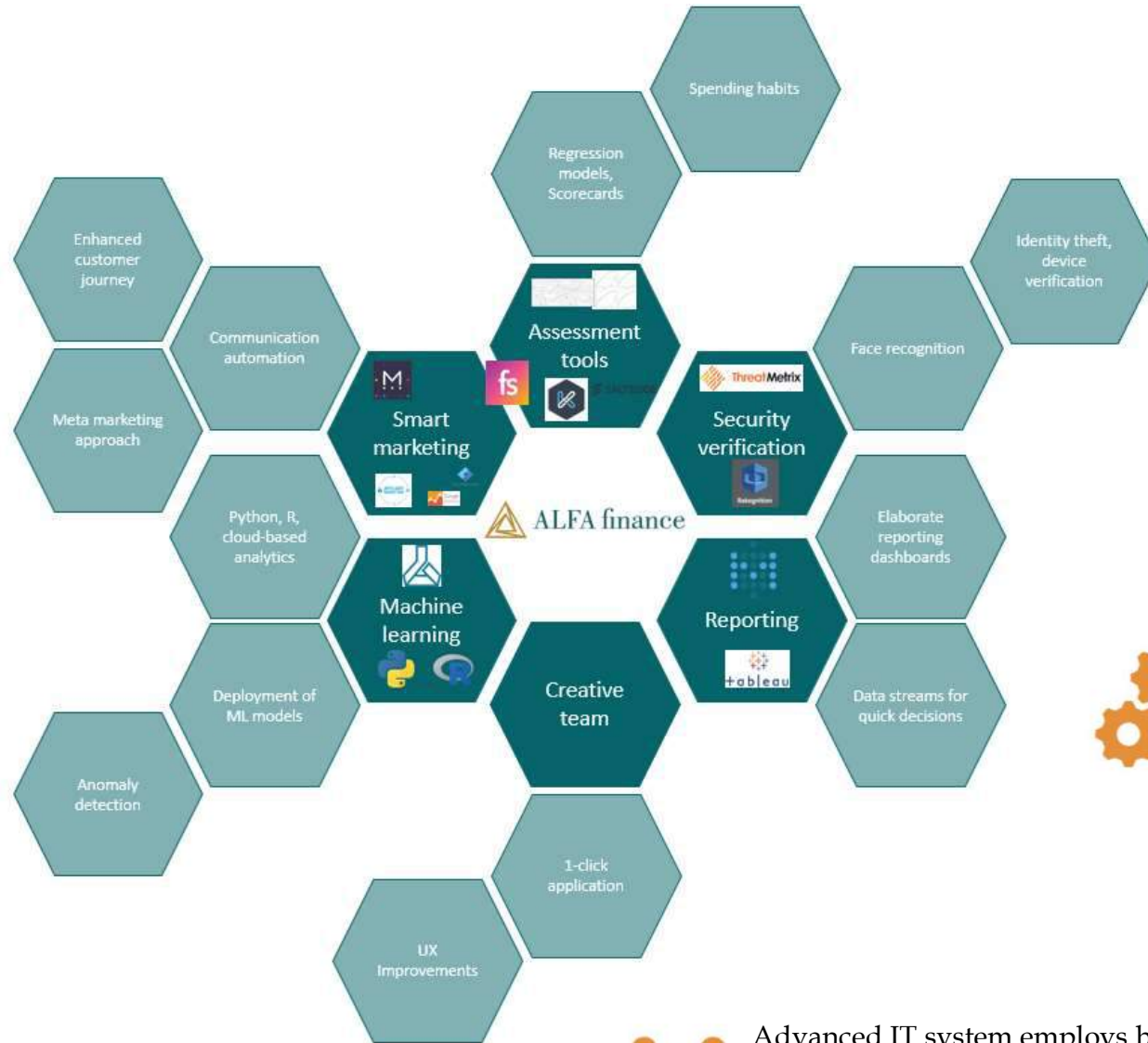
Machine Learning



Assessment tools



Reporting



Alfa Finance is Different

- **Innovative** risk assessment tools
- In-house **risk assessment team** and know-how
- **Machine** learning algorithms
- 130 servers running **data science**
- Unique and in-house user experience solutions
- Own excellence and training center in Europe
- Exclusive partnerships with service providers



Alfa Finance is focused on **efficiency** in every business processes, as well as products that the company is offering. Any new project or business case is first tested in Alfa Finance R&D excellence center in Latvia and approved before it is fully deployed and scaled.



Advanced IT system employs business processes that have been created based on the labor costs existent in Europe, hence they **are highly efficient**, cheaper, faster and less human labor is required as compared to competitors.



JANISKULIKOVSKIS
CO-FOUNDER AND
GROUP CEO

Founder and owner of a commodities trading company with offices in Asia, Africa, and Europe; serial entrepreneur with experience in finance, e-commerce, mass media, waste management, and real-estate. Co-founder of Alfa Finance.



VIESTURSKULIKOVSKIS
CO-FOUNDER

Started finance career in banking 27 years ago; served as Head of Corporate banking and Member of the Board in Swedbank Latvia, co-founder and owner of a number of successful companies, operating in finance, e-commerce and real estate. Co-founder of Alfa Finance.



GIOVANI CLEMENTE
INDONESIA GENERAL
MANAGER

Professional experience of more than 15 years in operation management, risk and debt collection within financial institutions such as HSBC, Insurtech and Fintechs in Latin America, and Europe.



DIANA PROSKURINA
INDONESIA BUSINESS
PROCESS MANAGER

Professional experience of more than 15 years in audit, internal audit, business processes management and improvement within banks and financial institutions such as PwC, and Fintechs in Europe (ICCA).



MIHAILS POROZNAKOVS
CHIEF RISK OFFICER

Served as a Chief risk officer in the 4th biggest bank in Latvia for 14 years and developed knowledge in several risk management positions. Presented a well recognized professional growth potential.



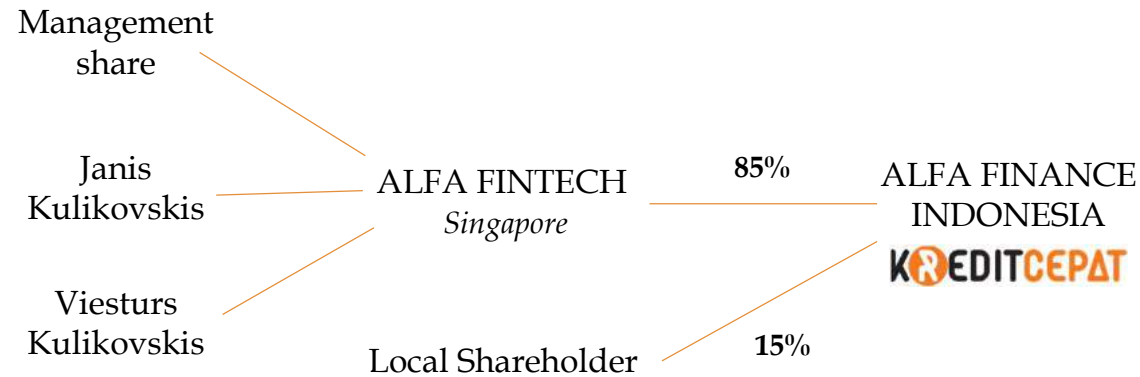
NIKLAVS MACKO
CHIEF FINANCIAL AND
OPERATIONS OFFICER

15 years experience in finance. Worked in one of the leading European fintech companies Twino as a CFO and later as a COO. Currently responsible for finance and operations in Alfa Finance group.

Alfa Finance - corporate milestones towards market leadership



Shareholder structure



Key advantages of Alfa Finance Indonesia operations

- ➔ Alfa Finance operates in online lending sector with **impressive growth** potential
- ➔ The Management Team looks back on a strong **track-record** in finding new business partners and exploiting **international expansion** opportunities
- ➔ Alfa Finance has illustrated a **stable** top-line **growth** in recent years
- ➔ **Efficiency** and strictly controlled operating costs
- ➔ **Lean** structure
- ➔ Test and trial approach before investment
- ➔ **Developing** market and supporting services in **Indonesia 1'000'000 downloads** of Kreditcepat mobile app
- ➔ Officially registered and supervised by Financial Regulator of Indonesia
- ➔ Largest number of Facebook followers among its competitors in Indonesia
- ➔ **ISO27001:2013** certificate for information security of its Lending operations audited by **PT TÜV Rheinland** Indonesia.



Nomor : S-~~25~~ /NB.213/2018 6 Juni 2018
 Sifat : Segera
 Hal : Tanda Bukti Terdaftar
 PT Alfa Finance Indonesia

Yth. Direksi PT Alfa Finance Indonesia
 Wisma Prima
 Jalan Kapten Tendean No. 34
 Mampang Prapatan
 Jakarta Selatan 12790

Sehubungan dengan surat Saudara Nomor 001/AFJ/III/CC/2018/01 tanggal 2 Maret 2018 perihal Permohonan Pendaftaran Penyelenggara Layanan Pinjam Meminjam Uang Berbasis Teknologi Informasi, dan kelengkapan dokumen terdahir Nomor 030/AFJ/VI/CC/2018/01 tanggal 6 Juni 2018, dengan ini kami sampaikan bahwa dokumen/permohonan pendaftaran Saudara telah memenuhi persyaratan pada Peraturan Otoritas Jasa Keuangan Nomor 77/POJK.01/2016 tentang Layanan Pinjam Meminjam Uang Berbasis Teknologi Informasi (POJK No. 77/2016) beserta turunannya.

Berikut kami beritahukan bahwa permohonan PT Alfa Finance Indonesia atas website "kreditcepat.co.id" sebagai Penyelenggara Layanan Pinjam Meminjam Uang Berbasis Teknologi Informasi disetujui untuk terdaftar dan diawasi oleh Otoritas Jasa Keuangan. Dengan ini PT Alfa Finance Indonesia dinyatakan tunduk serta patuh terhadap ketentuan dalam POJK No. 77/2016 beserta turunannya.

Selanjutnya, sesuai dengan ketentuan Pasal 10 ayat (1) POJK No. 77/2016, Saudara wajib mengajukan permohonan izin usaha sebagai Penyelenggara Layanan Pinjam Meminjam Uang Berbasis Teknologi Informasi dalam jangka waktu paling lama 1 (satu) tahun sejak tanggal terdaftar di OJK.

Selain itu, Saudara diminta untuk memenuhi ketentuan Pasal 28 ayat (2) Peraturan Menteri Komunikasi dan Informatika Nomor 4 Tahun 2016 tentang Sistem Manajemen Pengamanan Informasi yang mengatur bahwa "pada saat Peraturan Menteri ini mulai berlaku, Penyelenggara Sistem Elektronik yang Sistem Elektroniknya baru beroperasi wajib dilakukan sertifikasi Sistem Manajemen Pengamanan Informasi paling lambat 1 (satu) tahun sejak beroperasinya Sistem Elektronik".

Demikian kami sampaikan, dan atas perhatian Saudara, kami mengucapkan terima kasih.

Direktur Pengaturan, Perizinan, dan
 Pengawasan Fintech

 Hendrikus Passagel

Tembusan:
 Deputi Komisiner Pengawas IKNB II
 Gedung Wisma Mulia 2 Jl. Jend. Gatot Subroto No. 42 Jakarta Selatan, Jakarta 12710
 Telepon : 201 29600000 (pusingg); Faksimile : 021 3887917 (pusingg); Situs : www.ojk.go.id

Certificate

Standard **SNI ISO/IEC 27001:2013**

Certificate Registr. No. **824 153 19000**

Certificate Holder: **PT Alfa Fintech Indonesia**
 Menara Dea Tower 2, Lt. 3
 Jl. Mega Kuningan Barat Kav. E3.4 No. 1-2,
 Kuningan, Setiabudi, Jakarta Selatan 12950, Indonesia

Scope: Information Security of Peer to Peer Lending covering
 kreditcepat.co.id Website and Mobile Application

Statement of applicability: ISO 27001 SoA 2019-0 Date 22 Feb 2019

Proof has been furnished by means of an audit that the requirements of SNI ISO/IEC 27001:2013 are met.

Validity: The certificate is valid from 2019-09-25 until 2022-09-24.

2019-09-25


 PT TÜVRheinland Indonesia
 Menara Keys 10th Fl. J. S. R. R. Rouse Ball
 Block K-S Kav. 1-2, Jakarta

www.tuv.com



Nomor : S-~~26~~ /NB.2132/2020 7 Februari 2020
 Sifat : Segera
 Lampiran : 1 (satu) berkas
 Hal : Permohonan Live Demo untuk Implementasi E-KYC, Escrow Account dan Virtual Account, serta Digital Signature Kreditcepat.co.id

Yth. Direksi PT Alfa Fintech Indonesia
 Menara Dea Tower 2, Lt. 3
 Jl. Mega Kuningan Barat Kav. E4-3, Kuningan, Setiabudi
 Jakarta Selatan 12950

Sehubungan dengan surat Saudara Nomor AFJ-Permohonan/LGL/001/2020 tanggal 07 Februari 2020 perihal Permohonan Live Demo Perizinan PT Alfa Fintech Indonesia, bersama ini kami mengundang Saudara untuk hadir dalam pertemuan pada:

Hari/Tanggal : Senin, 10 Februari 2020
 Waktu : 10.00 WIB s.d. selesai
 Tempat : Ruang Rapat Gedung Wisma Mulia 2 Lt. 26 Tangkuban Perahu
 Jl. Gatot Subroto Kav. 42, Jakarta Selatan
 Agenda : Pelaksanaan Live Demo untuk Implementasi E-KYC, Escrow Account dan Virtual Account, serta Digital Signature Kreditcepat.co.id

Demikian kami sampaikan dan atas perhatian serta kehadirannya, kami mengucapkan terima kasih.

Deputi Direktur Perizinan dan
 Pengawasan Financial Technology

 Rati Conic Foda

Tembusan Yth :
 Direktur Pengaturan, Perizinan, dan Pengawasan Financial Technology

Gedung Wisma Mulia 2, Jl. Gatot Subroto Kav. 40, Jakarta Selatan
 Telepon : 021 29600000 (pusingg); Faksimile : 021 2973853 (pusingg); Situs : www.ojk.go.id



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