

EXECUTIVE SUMMARY

Energy acts as a facilitator to the country's increasing economic and population growth, with a forecasted more than 50% rise of demand by 2050 (RUPTL, 2017). To facilitate growth, Indonesia is targeting an estimated IDR 1.400 trillions of renewable power plant investment. The funds required to fulfill by private investment is IDR 1.120 trillions by 2025 (BKPM, 2016). Based on the Indonesia government regulation Number 79 year 2014, RUKN 2016, The Kyoto Protocol, and Paris Climate Agreement: the contribution of clean energy in Indonesia's power plant energy mix is expected to reach 25% in 2025. However, the current condition is only 15.9% (BP, 2018). INTO-IN aims to close the gap by 2-3% by 2025.

INTO-IN is the pioneer in (Peer-to-Nation) P2N fintech lending that solves private contractors' financial constraints. INTO-IN accelerates infrastructure projects with the mission to drive the nation's growth and helps Indonesia achieve Sustainable Development Goals (SDGs). The model is set by funding renewable energy power plants executed by Independent Power Producers.*

INTO-IN provides financing for IPPs (Independent Power Producers) that already signed Power Purchase Agreement (PPA) with PLN and in the process of seeking funds. PPA guarantees that PLN will buy electricity produced by IPPs for 20-30 years. The IPPs will be evaluated based on performance and credibility to protect the funds from the risk of incomplete projects. The interest rate imposed on the IPP will be 14-16% based on their performance. Each 1 MW generating capacity micro-hydro/hydro power plant will cost around IDR 36 billion, where INTO-IN aim to fund 70% of the total cost of IDR 25,2 billion. In the end of 2024 INTO-IN will have a total of 30 projects worth of IDR 756 billion. In the beginning, INTO-IN is looking for IDR 40 billions from Venture Capital as a seed funding.

INTO-IN offers an investment product with social aspects and flexibility as it main differentiation to lenders across Indonesia. To fulfill the needs of flexible investment products, INTO-IN offers a withdrawal feature, with a minimum investment of IDR 1.000,000 and an expected RoR from 8-9% per year based on the projects with self-assign system. The flexible feature allows lenders to withdraw their funds anytime with certain terms and condition. By the fifth year, INTO-IN will generate a positive net profit of IDR 2,4 billion and by 2027, net profit will reach IDR 48,7 billion. INTO-IN have an estimated NPV of IDR 224 billion based on the valuation using going concern assumption.