

EXECUTIVE SUMMARY

PT. Jembatan Kreasindo Kapital (PT JKK) is a Venture Capital Company focused on serving the risk taker to invest in the dynamic world of Event Organizer (EO) Industry in Jakarta. It offers a selection of medium or long term financing products to EO as its core product and short term financing product and training as added value services that suit the necessities of its potential business partners. While doing so, PT JKK presents itself as a financial company who aims to increase value not just for shareholder but more importantly to stakeholders, in a manner that is prudent, cost conscious and growth sustaining, notably as a partner who understands the EO Industry.

PT JKK's decision to serve the EO Industry was inspired by the trend of companies shifting from traditional marketing through mass media (print, broadcast television and radio) to Brand Activation, Experiential Marketing or Customer Experience Management which is more direct. Brand owners nowadays find the latter form of marketing to be far more effective in its product communication, thus the allocation of marketing and/or promotional expenses have been further emphasized on Brand Activation activities.

Unlike common venture capital practice to invest through equity participation or the purchase of convertible bonds of its potential business partners, Indonesian venture capitals have another product that is unique, applied only in this country, albeit the most popular among its clients, that is the revenue sharing. Realizing this industrial fact beforehand, PT JKK has developed the profit sharing model from the very beginning and come up with supplementary variations of additional little twists needed to further attract the interests of the Event Organizer Industry.

Nevertheless, PT JKK is part of the financial industry in which customers are price-sensitive. Thus, the company will apply a focus cost strategy to stay efficient and competitive among its competitors (leasing companies, banks, and private investors).

The winning-cost effective strategies:

- A personalized communication strategy targeted to and catered for the EO Industry.
- A highly formalized operation strategy to ascertain a profitable return on investments throughout its activities, in the negotiated time frame.
- A well-structured human resource strategy to attract and retain qualified workforce that are highly capable in the financing industry adaptable to the Event Organizer Industry.
- An excellent financial strategy that can efficiently manage the cost of capital and also be prudent in controlling the company's investment decisions.

Based on those strategies, PT JKK will **most likely** obtain an NPV of **IDR 4.8 Billion**, with a 49% MIRR, which is significantly above the 28% Weighted Average Cost of Capital, and a Discounted Payback Period of less than **3 years**.