

MPOWER Partners announces its investment in Rukita



March 5th, 2024; Tokyo, Japan: MPower Partners Fund, Japan's first ESG-focused global venture capital fund, has invested in Rukita (operating in Jakarta, Indonesia; co-founders Sabrina Soewatdy and Sarah Soewatdy), a proptech (property technology) startup that engages in building a tech-enabled end-to-end solution for long-term rental properties in Indonesia.

Along with the massive migration to Jakarta in the past half century, Indonesia has experienced a rapid demographic growth and urbanization that drives demand for housing across the country in both the quantity and quality of housing stock. Whilst it has seen a huge ramp up in the housing stock during the past few decades, most housing developments within major cities are either luxury apartments for higher income individuals, or subsidized budget lodging for lower-income classes. There is a huge shortage of affordable quality housing in city centers for the middle-income, younger generation.

Rukita's business focus originated from Kost (co-living properties), which is deemed to be a good market to disrupt the affordable housing space with an annual rental market value of US\$14B targeting millennials and GenZ in Indonesia. In addition to its main co-living product, student housing, apartments and serviced residences are also now part of the product offerings. Rukita functions as a bridge between landlords and tenants: a revenue and property manager for landlords, as well as a provider of convenient and well-maintained properties for tenants.

Despite the challenging tech industry, Rukita has outperformed expectations in 2023, had achieved a remarkable 2x growth of increase in properties, reaching 600+ locations, as well as a decent growth in room count. This expansion reflects the company's commitment to providing quality and affordable housing solutions, particularly for the younger generation in Indonesia.

Its ecosystem, comprising Rukita Coliving, RuPartner, Rukita Residence, Infokost.id, and its financial product for landlords RuFinance, has seen a YoY 25% increase in properties, now numbering over 50,000. This growth extends to more than 1.4 million rooms and a collaboration with over 50,000 property landlords. Today, Rukita's footprint spans 157 locations across 15 major cities, including Jakarta, Bali, and Surabaya, demonstrating its commitment to addressing the housing needs of young urbanites in Indonesia.

MPOWER Partners and PEAK XV are co-leading this series B in Rukita, which marks MPOWER Partners's very first investment into the South East Asia market. It aligns perfectly with the fund's vision of integrating ESG principles into the core strategies of burgeoning startups. With

the founding team's vast expertise in business operations and the local real estate industry, we are excited to partner with Rukita in their mission to provide affordable, quality housing to Indonesia's next generation. We look forward to supporting the company's further value creation, both in terms of financial returns and societal impact, together with other co-investors including but not limited to Golden Gate Ventures, Open Space Ventures and BNI Ventures.

Comment(s) from Rukita's founding team

"We are excited for our partnership with MPower of Japan, a significant step forward in realizing Rukita's mission to address Indonesia's housing crisis. Together, we are committed to making quality housing accessible for the emerging generation in Indonesia and Southeast Asia. This collaboration strengthens Rukita's dedication to our ESG roadmap, ensuring that our business growth is synonymous with a positive impact on society, reinforcing our commitment to sustainability and inclusive solution," said Sabrina Soewatdy, Founder and CEO of Rukita.



About Rukita

Established by Sabrina and Sarah Soewatdy in 2019, Rukita provides an end-to-end solution for long-term rental properties in Indonesia. Rukita's product offerings span property management, property marketing, a property marketplace, and a financing solution for landlords.

For more information please visit the homepage: <https://www.rukita.co/>

About MPower Partners

MPower Partners Fund is Japan's first ESG-integrated global venture capital fund that aims to support entrepreneurs providing solutions to societal challenges through the power of technology, and to promote sustainable growth by incorporating ESG (Environment, Social, Governance) into their core business strategies. The founding team draws on their extensive experience in the financial industry and ESG matters to support the global expansion of startups and strives to infuse ESG elements into the ecosystem.

Fund website: <https://www.mpower-partners.com>

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