

## DIRECT INVESTMENT

SITUBONDO SUGAR INDUSTRY, EAST JAVA PROVINCE  
PTPN XI



### Project Structure

1. PTPN XI offering the investment scheme to the investor.
2. Establishing partnership between PTPN XI and investor
3. Business partnership option (JV, Join Operation and Business partnership)

Project  
Owner

Investor

1

2

3

PROJECT

### Project information

Project value :  
USD 131 Million

Construction period  
: 3 years

Factory Capacity :  
8.000 TCD  
Expandable 10.000  
TCD

### PROJECT DESCRIPTION



### Project Information

- Sugar factory construction in order to replace the 3 existing Sugar Factories of PTPN XI (Olean SF, Pandji SF dan Wringinanom SF) with total capacity 4.200 TCD supported by existing area ± 7.093 Hectares.
- Located in the center of Sugarcane Plantation with potentially developed to ± 13.000 Hectares by smallholders land extencification and land conversion (partnership with Perum Perhutani).
- Potentially be integrated with downstream industries (Co-generation and Bioethanol)



### INDICATIVE STRUCTURE

Mode of offer	: JV, Join Operation or business partnership
% ownership	: PTPN XI minimal 51%
Capital Structure of project	: 40% equity, 60% loan
Project Cost	: USD 131 Million
Invesment period	: 4 Years
Equity holder option	: To be discussed
NPV / Pay Back Period	: USD 40,7 Million (indicative value)/ 7 Years 1 month
Project/Equity IRR	: 13,03%
Exit Strategy	: To be discussed
Equity principal valuation	: Using the investment cost for the project which agreed upon both parties
Shareholder agreement	: <ul style="list-style-type: none"> <li>• Dividend distribution policy agreed upfront in pro-rata distribution</li> <li>• Minority shareholders protection</li> <li>• Agreed nomination rights for BOC and BOD</li> <li>• List of reserved and restricted matters between SOE and Investor</li> <li>• Potential shareholders' carry loan for future equity funding requirements</li> </ul>

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