

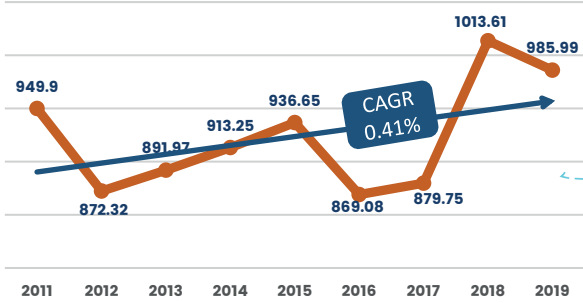
INTEGRATED SODA ASH INDUSTRY MADURA - EAST JAVA PROVINCE WHY INVEST ?

MARKET OPPORTUNITY

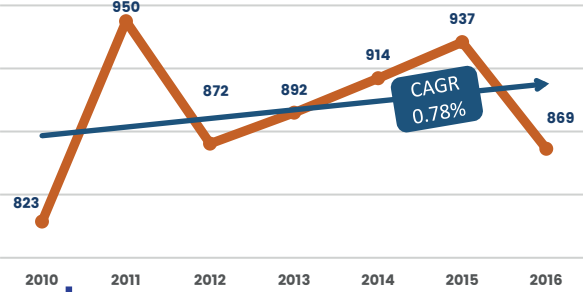
The salt industry project on the island of Madura: Madura Integrated Soda Ash Industry development produces a product of soda ash (sodium carbonate) which uses salt as one of the main raw materials.

The integrated soda ash industrial project has a scheme in collaboration with PT Garam as a State-Owned Enterprise (BUMN) with the main production of salt on a national scale.

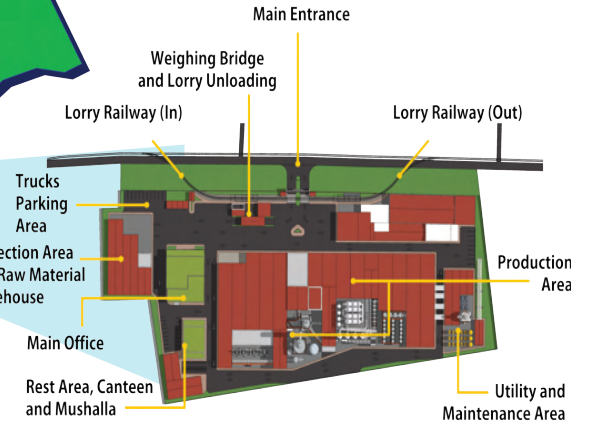
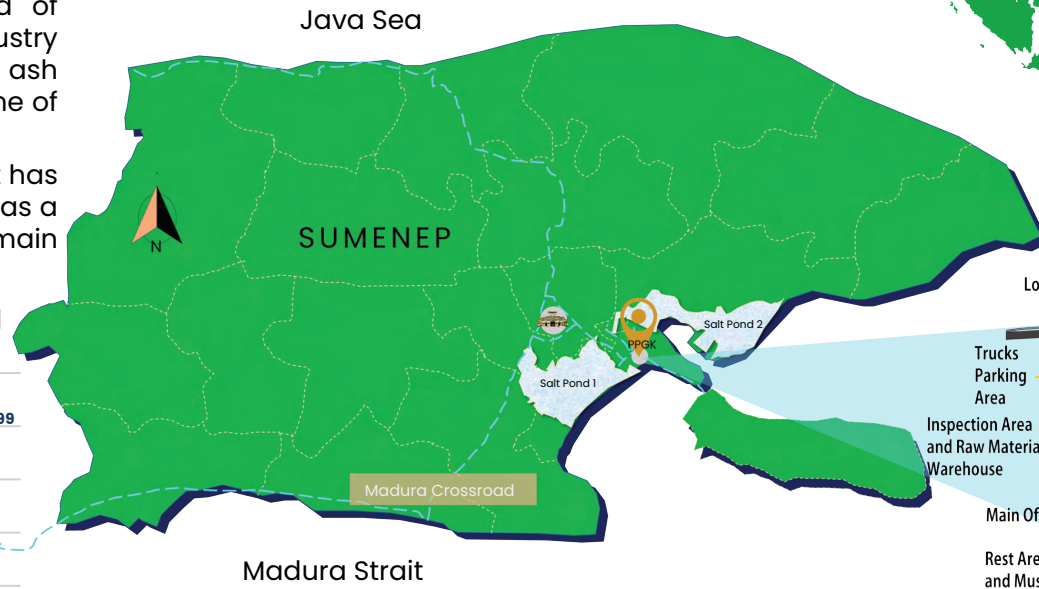
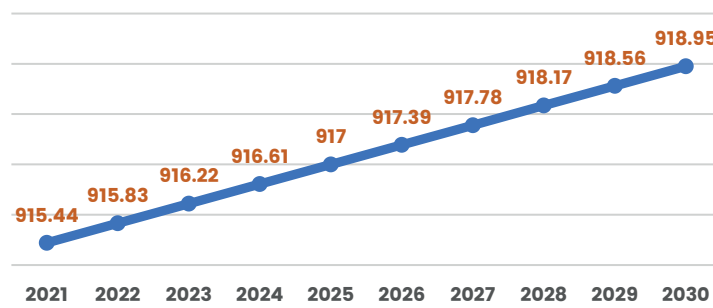
Amount of Indonesia's Soda Ash Demand (thousand tonnes)



Amount of Indonesia's Soda Ash Import (thousand tonnes)



Projection of Indonesia's Soda Ash Demand (thousand tonnes)



MADURA INTEGRATED SODA ASH INDUSTRY

Soda Ash Target Market



PROJECT PROFILE

SODA ASH INTEGRATED INDUSTRY
Indonesia Standard Industrial Classification (KBLI)
KBLI 20111

PRODUCTION CAPACITY
300,000 tonnes/year

RAW MATERIAL
● Salt
● Limestone

INPUT
- Salt from salt pond
- Limestone

PROCESS
Soda Ash Industry (Using Solvay Method)

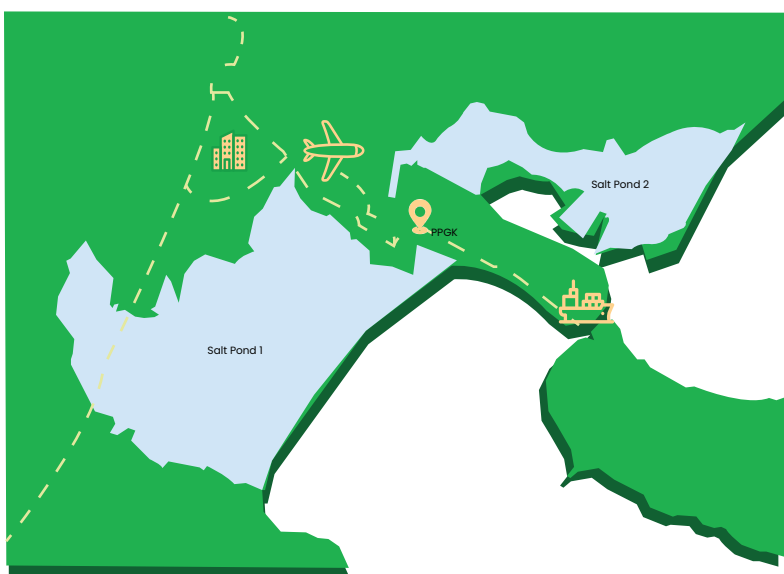
OUTPUT
- Soda Ash
- Calcium Chloride

LOCATION
Salt Refinery Factory Kalianget (PPGK), Kalianget District Sumenep Regency, East Java Province

LAND AREA
Block Plan Area: 4.7 ha
Site Plan Area : 2.3 ha

INVESTMENT VALUE
IDR 3.08 trillion

ACCESSIBILITY



Distance to Airport **1.9 km**

Distance to Container Port **3.7 km**

Distance to Salt Pond **0 - 2 km**

Distance to City Center **6.7 km**

The Width of Madura Cross Road **6 - 9 m**

WORKFORCE

Workforce Absorption
137 People

Regional Minimum Wages of Sumenep Regency
IDR 1.95 million

FINANCIAL FEASIBILITY

Weighted Average Cost of Capital (WACC)	9.69%
Net Present Value (NPV)	IDR 605.01 billion
Internal Rate of Return (IRR)	11.70%
Payback Period (PP)	7 Years 2 Months

INFRASTRUCTURE

TELECOMMUNICATION
Supported by network up to 4G

WASTE TREATMENT
Hazardous and toxic waste treatment by third party (depends on the result of Environmental Impact Analysis/AMDAL)

GOVERNMENT SUPPORT

FISCAL

Tax Holiday

PMK No. 130/PMK.010/2020 dan Indonesia Investment Coordinating Board Regulation No. 7/2020

Import Duty Exemption

Ministry of Finance Regulation (PMK) Number 188/PMK.010/2015 - Second Amandement to the Ministry of Finance Regulation Number 176/PMK.011/2009

NON FISCAL

Human Resources

Local government support in the form of: Human Resource Development (HR) and allotment of Salt Refinery Factory (PPGK) as a Location of Industrial Estate in Sumenep Regency

Business License Through OSS

Easiness in obtaining a business license through Risk-Based Online Single Submission (OSS RBA)