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INFORMATION

BKPM's Press Release related the Kualanamu International Airport Development Projects that Open for Investors

The Indonesian government announced that it is seeking strategic investors both nationally and internationally to work on three infrastructure projects for the development of Kualanamu International Airport in Deli Serdang, North Sumatra. On the press release on the Investment Coordinating Board (BKPM), the Deputy for Investment Planning, Nurul Ichwan conveyed full support from BKPM for socialization on investment opportunities of the infrastructure development carried out by PT Angkasa Pura Aviasi. There are 3 (three) infrastructure projects offered, as follow;

- 1. Airport City which consists of hotel, convention hall, golf course & driving range, theme park, retail, and hospital (land area ±135 Ha)
- 2. E-Commerce Center Warehouse (land area ±2 Ha)
- 3. Integrated Commercial Area- Factory Outlet and MICE (land area ±20 Ha)

The collaboration between the government and strategic partners is expected to revive the spirit of development and economic growth through the development of a multi-modal commercial area that is integrated with airport activities, particularly in Kualanamu. The strategic partner will later become a maximum shareholder of 49% in PT Angkasa Pura Aviasi, while 51% of the shares will be controlled by PT Angkasa Pura. The benefits of this strategic partnership will include the entry of Foreign Direct Investment (FDI) into Indonesia consisting of Capex Commitment and Upfront Payment, as well as asset development in Kualanamu to realize 3E namely Expansion the Traffic, Expertise Sharing, and Equity Partnership with the aim of making Kualanamu Airport as an International Airport Hub in the western region of Indonesia.

In the future, the passenger terminal capacity of Kualanamu International Airport will be increased to reach 40 million passengers per year. During the current Level 3 Community Activity Restrictions (PPKM) implementation, this airport serves about 2 thousand to 3 thousand passengers per day. Whereas in normal times it can serve passengers ranging from 9-11 million passengers per year. The growth of cargo transportation is also quite large. This is supported by data on cargo transportation at Kualanamu International Airport in the last 3 (three) years which reached an average of 50,000 tons a year.

Please find below the contact for further information regarding the projects:

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Reference:

• The Press Release of the Investment Coordinating Board (BKPM)

If you require a copy of the reference document above, please do not hesitate to contact <u>research@ibai.or.id</u>. Thank you for your attentionand hope this information would be valuable for you.

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