## PRESS RELEASE



## PREPARE DISTRIBUTION OF SUBSIDIZED FERTILIZER 2022, PETROKIMIA GRESIK SIGNS AGREEMENT WITH 372 DISTRIBUTORS

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Petrokimia Gresik, an Agroindustry Solutions company and a member of Pupuk Indonesia holding is preparing to distribute subsidized fertilizers in 2022 by signing a Sales and Purchase Agreement (SPA) with 372 distributors in the West, namely Sumatra and Java, except for East Java. The signing was carried out together with other members of the Pupuk Indonesia holding in Solo, Central Java, last week.

Marketing Director of Pupuk Indonesia, Gusrizal asked all distributors of subsidized fertilizers to support Pupuk Indonesia's work program, including Petrokimia Gresik in distributing fertilizer for farmers. According to him, distributors are the key to the success of distributing subsidized fertilizers to the rightful farmers according to the Definitive Plan for Group Needs (DPGN).

"Pupuk Indonesia must always remind that the task of distributing subsidized fertilizer is not easy. All administrative requirements must be completed to support the smooth redemption of subsidized fertilizers and their distribution to farmers," said Gusrizal.

In optimizing distribution, he revealed that Pupuk Indonesia has implemented a Distribution Planning and Control System (DPCS), where the data in this system has been integrated and based on geospatial.

"With this system, the company can monitor distribution activities and stock of fertilizers in the field at any time to minimize the potential for fertilizer shortages in the region, and increase the accuracy of distribution planning," said Gusrizal.

Meanwhile, Director of Operations and Production of Petrokimia Gresik, Digna Jatiningsih said that the distribution of subsidized fertilizers in 2022 will be no less challenging than 2021, because the impact of the Covid-19 pandemic is still being felt.

Therefore, the commitment with distributors is very important to support the distribution of subsidized fertilizers and apply good corporate governance in its distribution.

"In the near future, we will also sign SPA with other regional distributors. We want to ensure and invite distributors to commit in providing subsidized fertilizer stocks in their warehouses for the needs of farmers for at least the next 3 (three) weeks according to the allocation," he said.

In addition, Regional Sales Representative Staff (RSRS) and Regional Sales Officers (RSO) are also advised to be more active in cooperating with Kiosks, Farmers' Groups, Provincial and Regency/City Agriculture Offices to optimize the absorption of subsidized fertilizers.

"RSRS and RSO must help provide education and socialization regarding the mechanism for redeeming subsidized fertilizers, especially during the relaxation period for the use of Farmer Cards, so that there is no confusion among farmers and kiosks," he said.

Digna added, in maintaining the availability of fertilizers for farmers, apart from subsidized fertilizers, Petrokimia Gresik also provides non-subsidized (commercial) fertilizers at the fostered kiosks. Phonska Plus, Petro Ningrat, SP-36 Petro, ZA Petro, and Petro Nitrat can be alternative options that can be given to farmers to increase the productivity of their land.



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This is revealed because in 2022, there are several important points that distributors must know. Namely, the government plans to reduce the types of subsidized fertilizers to Urea and Phonska only. Meanwhile, ZA, SP-36, Petroganik and Phonska Oca Liquid Organic Fertilizer (POC) will no longer be included in the subsidized fertilizer scheme in 2022.

"We hope that Petrokimia Gresik's commercial products can become the mainstay of farmers in a sustainable manner so that it can improve the welfare of farmers and maintain national food security," she said.

PT Petrokimia Gresik

For further information contact: Corporate Secretary: Yusuf Wibisono

Office: (031) 3981811 Ext 2218

Email: wibisono@petrokimia-gresik.com

yusufwibie@gmail.com

Yusuf Wibisono
Corporate Secretary