



## PETROKIMIA GRESIK PREPARES STRATEGIC PLAN TO ENCOURAGE AGRICULTURAL PRODUCTIVITY AND CHEMICAL INDUSTRY PROGRESS IN 2023

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Petrokimia Gresik, an Agro-industrial Solutions company and the holding member of Pupuk Indonesia, is preparing three strategic plans to face 2023. These three are a form of the company's commitment to encourage increased agricultural productivity and advance the domestic chemical industry.

President Director of Petrokimia Gresik, Dwi Satriyo Annurogo said that the policy of subsidized fertilizers in the country has changed. Permentan 10/2022 focuses subsidized fertilizers on Urea and NPK fertilizers. Meanwhile, SP-36, ZA, and Organic fertilizers which are produced by Petrokimia Gresik are no longer included in the subsidy scheme.

"This is a challenge as well as an opportunity for Petrokimia Gresik in 2023 to increase the competitiveness and availability of retail commercial products so that they can compete with other products in the market," said Dwi Satriyo.

The strategic plan carried out by Petrokimia Gresik in 2023 is first, to build the Phonska V Plant to increase NPK fertilizer production capacity. This effort is the company's step to increase the fulfillment of national and global fertilizer needs. This plant can also be operated with multiple formulas so that it is more flexible in meeting the needs of the NPK fertilizer market.

"Petrokimia Gresik is the largest NPK producer in the country, as well as being the mecca of compound fertilizer technology in Southeast Asia. The conversion of the Phosphate fertilizer plant into the NPK Phonska V Plant is also an infrastructure development strategy to strengthen the business," said Dwi Satriyo.

The second strategy of Petrokimia Gresik is also to commercialize Phosphoric Acid for domestic and global markets. Phosphoric Acid is one of the raw materials for NPK fertilizer so it plays an important role in supporting the increase in domestic and global NPK production. This commercialization is the company's strategy to optimize production rates and increase sales of phosphoric acid.

The last strategic plan of Petrokimia Gresik in 2023, namely the company optimizing byproduct products. Currently, the company has been able to produce Surfactants with Green Surfactant products that can be used to Enhance Oil Recovery (EOR).

"This is an important breakthrough for the oil and gas industry in Indonesia," he said.

Technically, surfactants will be injected into old oil wells whose production is declining. Petroleum that is still attached to the rocks will be released and will be released

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easily aspirated with a pump. So that this surfactant can increase the productivity of petroleum wells, and even able to remove crude oil from fields or old oil wells that are no longer producing.

Surfactants produced by Petrokimia Gresik are Green Surfactants with methyl ester raw materials derived from palm oil. In addition to being more competitive, Green Surfactants will also add value to palm oil.

Meanwhile, to make the company's start-up plan a success, Petrokimia Gresik always optimizes the use of technology that is proven to be able to increase business effectiveness and efficiency. The first use of technology was seen in the construction process of Phonska V which uses its technology, namely NPK Chemical Reaction with Pre-Neutralizer Tank. In addition to being able to produce NPK fertilizer with homogeneous product quality nutrients and physical forms, NPK Chemical Reaction technology also has the flexibility of using raw materials so that the production process can be carried out continuously on a large scale.

Technology optimization is also carried out by Petrokimia Gresik in all aspects of the company's business, especially in the distribution process. Petrokimia Gresik strives for the smooth distribution of fertilizers through the application of digital applications in warehousing management in Line I Warehouses, namely the Warehouse Management System (WMS), Digital Transport Management System (DTMS), and the Online Scheduling Truck System (SISTRO).

Given the point, Petrokimia Gresik made improvements to the process technology of the HDH Phosphoric Acid Plant (Hemihydrate – Dihydrate). This innovation is a pioneer and the only one in Indonesia and can improve the quality of Phosphoric Acid which is the raw material for the production of NPK fertilizer. This improvement is one of Petrokimia Gresik's support for the national aluminum smelting industry because it can increase the quantum of Fluorosilicic Acid production.

"The use of technology for Petrokimia Gresik is a necessity to produce effective and efficient business operations, as well as to increase the company's competitiveness. The use of technology as well as a form of protection of Petrokimia Gresik for consumers through quality products," he concluded.

PT Petrokimia Gresik For further information contact:

Corporate Secretary: Yusuf Wibisono Office: (031) 3981811

Ext. 2218

Yusuf Wibisono Email : wibisono@petrokimia-gresik.com

Corporate Secretary yusufwibie@gmail.com