



PRESS RELEASE

STRENGTHENING THE NATIONAL INDUSTRY, PETROKIMIA GRESIK STUDIES THE DEVELOPMENT OF NITRIC ACID & AMMONIUM NITRATE FACTORY

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Petrokimia Gresik's efforts in supporting the re-emergence of national industry independence were realized through the study of the development of Nitric Acid and Ammonium Nitrate factories. This plan was marked by the signing of a Memorandum of Understanding (MoU) for a joint study between Petrokimia Gresik and PT Dahana (Persero) witnessed by the President of the Republic of Indonesia (RI), Joko Widodo, and the Minister of Defense of RI, Prabowo Subianto, at the "Indo Defense Expo and Forum 2022" in Jakarta on Wednesday (2/11).

Petrokimia Gresik President Director, Dwi Satriyo Annurogo, stated that Petrokimia Gresik together with PT Dahana (Persero), who have experience in the Nitric Acid and Ammonium Nitrate trade, will form a team to develop a Pre-Feasibility Study for the development of Nitric Acid and Ammonium Nitrate factories in the Petrokimia Gresik factory area.

As information, Nitric Acid and Ammonium Nitrate are derivatives of the Ammonia Factory. Where Petrokimia Gresik currently has two Ammonia factories with a production capacity of 1,105,000 tons per year. In addition, an additional supply of 150 MMSCFD of gas will also be utilized for the development of Ammonia-Urea (Amurea) III.

"Petrokimia Gresik has great potential to establish Nitric Acid and Ammonium Nitrate factories that can be utilized as Nitrate-based fertilizer raw materials," said Dwi Satriyo.

As is known, Petrokimia Gresik currently has NPK fertilizer under the brand "Petro Nitrat" with a formulation of 16-16-16 containing Nitrogen in the form of Nitrate for horticultural and fruit crops. In addition, Ammonium Nitrate will later also be utilized as raw material by PT Dahana (Persero).

In the initial study, the demand for Nitric Acid and Ammonium Nitrate domestically is quite high and is expected to continue to increase. So the plan to develop this factory is expected to meet the demand for Ammonium Nitrate domestically and as an effort to substitute imported raw materials.

"This is in line with the direction of the President of RI to reduce the use of imported products. So the Ammonium Nitrate factory is very strategic in supporting the independence of the nation's economy," added Dwi Satriyo.

Furthermore, he added that in the future, Petrokimia Gresik's Nitric Acid and Ammonium Nitrate are expected to not only meet domestic demand, but also the export market. Where Ammonium Nitrate is one of the commodities that will be traded through the recently inaugurated Indonesian Fertilizer Representative Office in Dubai.



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"Thus, this effort is also a commitment of Petrokimia Gresik in supporting Indonesian Fertilizer as a holding company, to go global as instructed by the Minister of BUMN of the Republic of Indonesia, Erick Thohir," he concluded.

PT Petrokimia Gresik
PgS Corporate Secretary

Rama Yusron Harbiansyah
VP Corporate Communication

For further information contact:

PgS Corporate Secretary : Rama Yusron Harbiansyah

Office : (031) 3981811

Ext. 2152

Email : rama.yusron@petrokimia-gresik.com
rama.yusronharbiansyah89@gmail.com