

Ministry of Investment/BKPM Collaborates with Angkasa Pura to Offer 3 Kualanamu International Airport Development Projects.

Jakarta, 16 September 2021 – The Ministry of Investment/BKPM collaborating with PT Angkasa Pura II (Persero) dan PT Angkasa Pura Aviasi held a Market Sounding "Investment Opportunity at Kualanamu International Airport" online this Thursday morning (16/9). There are 3 (three) infrastructure projects presented by this airport located in Deli Serdang, North Sumatra, which are: Airport City consisting of a hotel, convention hall, golf course & driving range, theme park, retail and hospital (±135 Ha area); E-Commerce Center Warehouse (±2 Ha area); and Integrated Commercial Area-Factory Outlet and MICE (±20 Ha area).

Deputy Chairman for Investment Planning Nurul Ichwan conveys the full support from the Ministry of Investment/BKPM for the infrastructure development conducted by PT Angkasa Pura Aviasi. This airport is vital infrastructure in the transportation sector, affecting connectivity and logistic. The growth of airline passengers, aeroplanes, and cargo needs to be balanced with an airport system integrated with technology and proper supporting facilities and the concept of an airport city.

"We truly appreciate PT Angkasa Pura Aviasi's enthusiasm in presenting their investment opportunity during this COVID-19 pandemic. Airport infrastructure facilities that can elevate the investment climate is sorely needed, especially considering the downturn in airport conditions. Therefore, the management of air transport infrastructure must be able to innovate in developing business to provide good service. We believe these three projects on offer can support airport management and thus encourage economic development in North Sumatra Province and Indonesia," explains Nurul.

Nurul hopes this airport management elevates customer service and realizes the concept of airports of the future as multimodal and multifunctional infrastructures that will encourage the development of the surrounding areas. That is why there must be an increase of strategic partnerships between PT Angkasa Pura II (Persero) and PT Angkasa Pura Aviasi with businesses to increase business productivity and build a profitable collaboration.

In response, the Director of PT Angkasa Pura Aviasi Haris conveys that they are in the stage of finding a strategic partnership to become a partner in managing and developing Kualanamu International Airport. The strategic partner will become a maximum 49% shareholder of PT Angkasa Pura Aviasi, while Angkasa Pura II will

hold 51% of shares. Haris is certain this model of airport development will be profitable and accelerate the development of the airport business in Indonesia. The benefits of the strategic partnership are the entrant of Foreign Direct Investment (FDI) to Indonesia consisting of Capex Commitment and Upfront Payment, and the development of Kualanamu assets to realize 3E, which is Expansion the Traffic, Expertise Sharing, and Equity Partnerships to make Kualanamu Aiport as the International Airport Hub of Indonesia's western region.

"The entire airline industry is surely affected amidst the COVID-19 pandemic situation, but it will not diminish us as red plate subsidiaries that is given a mandate to seek strategic partners to develop Kualanamu International Airport area into an integrated commercial complex. The development of the airport city can synergize with potential partners. The collaboration between stakeholders and business partners is expected to become an economic driver in western Indonesia, particularly in North Sumatra," said Haris.

In the future, the Kualanamu International Airport's capacity will be expanded to accommodate 40 million travelers a year. During the current Level 3 Public Activity Restrictions (PPKM), the airport serves 2 to 3 thousand passengers per day. While in normal times, the capacity is 9-11 million passengers served per year. According to

Haris, the growth of cargo planes is quite high. Kualanamu International Airport's cargo data support this fact during the last 3 (three) years, which reached an average of 50.000 tons per year.

Kualanamu Airport currently has a passenger terminal capacity of 9 million per year and holds 4 Star status from Skytrax. Access to Kualanamu Airport is supported by various alternatives, starting with the Medan-Kualanamu-Tebing Tinggi Toll Road to the Airport Train Railink, which takes you from the airport to Medan city centre in 30 minutes.

The market sounding was attended by more than 190 participants from private and BUMN companies in construction, consulting, finance, international organization, airport services, hotels, developers/property, area, logistic/cargo, advertising, both domestic and foreign. The Ministry of Investment/BKPM and PT Angkasa Pura II (Persero), and PT Angkasa Pura Aviast invite strategic partners, both domestic and foreign, to take the opportunity by participating in the process of partner selection. Collaboration between the government and strategic partners is expected to spark economic development and growth by developing a multimodal commercial area integrated with airport activities, particularly at Kualanamu. (*)

