



## **INVESTMENT OPPORTUNITY**

INTEGRATED RICE MILL PLANT WITH RICE CULTIVATION IN WEST JAWA, SULAWESI & KALIMANTAN

SPECIAL PROPOSAL FOR INVESTOR



Robotic & Automated Machinery, Integrated with AI, IoT, ERP Systems, and Smart Farming

## **EXECUTIVE SUMMARY** Introduction and Project Sites with Production Capacity



**CV Menata Citra Selaras (MCS)** is focused in producing high-quality halal rice for the global Muslim market. Leveraging Indonesia's agricultural resources and strategic partnerships with Malaysian investors, MCS plans to develop two large-scale farming locations to meet both domestic and export demand. This initiative aligns with Indonesia's long-term vision for halal food security and is supported by the national government.

#### The project is centered in two key regions of Indonesia: South Kalimantan Province and East Luwu Regency in South Sulawesi.

These areas offer a combined agricultural landbank of over 106,000 hectares.

Development in Central Kalimantan is designated as the primary production hub for export, while East Luwu is focused on serving domestic industrial and consumer demand. Combined annual production from both locations is projected at approximately 180,000 tons of rice. The project has received full support from both central and regional governments.

## Project Locations & Production Capacity

### South Kalimantan:

Targeting an annual production of 300,000 tons of rice from approximately 100,000 hectares of on-farm land. The project in Central & South Kalimantan will serve as an export-oriented rice hub—producing premium halal rice for the Middle East and general-purpose rice for Malaysia—in alignment with the Indonesian government's strategy to establish the province as a national rice export center. The Ministry of Agriculture fully supports the export initiative, while the local government is providing agricultural land through a long-term lease scheme.

#### East Luwu, South Sulawesi:

Targeting an annual production of 30,000 tons of rice from around 6,000 hectares of farmland. The East Luwu project is aimed at supplying rice for food processing industries and local consumption. The East Luwu Regency government has expressed full support and cooperation, including facilitating permits and regulatory processes to ensure smooth project implementation in the region.

### Sukabumi, West Java :

Targetting an annual production of 30.000 tons of rice from around 100.000 ha existing farm land, and lacks off rice mill. Sukabumi project is aimed at supplying rice for food processing industries and local consumption.

The Sukabumi Regency government has expressed full support and cooperation, including lands, building, warehouse, facilitating permits and regulatory processes to ensure smooth project implementation in the region.

## **EXECUTIVE SUMMARY** Investment and Financing Structure



#### Joint Venture Scheme:

The investment will be structured as a joint venture, with a strategic partner holding a 40% equity stake. This partnership reflects a strong collaboration between Indonesian and Muslim entrepreneurs & investor in building a shared halal food enterprise.

#### **Total Project Value:**

The total investment is estimated at USD 500 million (approximately IDR 8 trillion). The funds will be allocated for asset acquisition and land development (including long-term leases from local governments), working capital for operations, procurement of modern agricultural machinery and equipment, and the development of supporting infrastructure such as rice milling facilities and storage warehouses.

### Sharia-Compliant Financing:

Both the financing and operational models are designed in accordance with Sharia principles, ensuring the absence of interest-based transactions (riba) and implementing a fair profit-sharing system. This approach enhances comfort for Muslim investors and aligns with ethical Islamic business values.

### **Project Status:**

The project is currently in the final planning stage, including the preparation of detailed proposals and feasibility studies. While still in development, it has received official support, and regulatory facilitation guarantees from all relevant local governments. Ongoing backing from Indonesia's Ministry of Agriculture further underscores the government's readiness to support rice export initiatives from this project.



## **EXECUTIVE SUMMARY** Project Advantages & Long-Term Vision



### **Global Halal Market Focus:**

MCS places halal food production at the heart of its mission. All rice produced will be halal-certified and targeted to meet the growing demand of the global Muslim consumer base. The project aims to deliver premium and specialty rice for export to the Middle East, and high-quality rice for regional markets such as Malaysia. The Indonesian government itself has set an ambitious rice export target of 500,000 tons, with the Middle East identified as a key destination. Indonesia's well-established halal certification system, recognized by OIC member states, provides a strong foundation for global market penetration. (corteva.id.)

### Strategic Indonesia-Malaysia Partnership:

The involvement of a Malaysian investor (holding 40% equity) brings not only capital, but also access to distribution networks and market insight in Malaysia.

This cross-border collaboration builds a robust halal rice supply chain. Malaysia currently meets only 40–50% of its domestic rice demand through local production, making this partnership strategically aligned with the complementary needs of both countries. This model serves as a showcase of joint Muslimmajority country cooperation in the halal food sector. antaranews.com

### **Strong Government Support:**

The MCS project has received full support from both national and local governments in Indonesia. The Ministry of Agriculture has opened new export opportunities to Malaysia and other countries under the direction of the President <u>antaranews.com</u>, reflecting a policy environment that is favorable to this initiative. Local governments in Central Kalimantan and East Luwu are proactively facilitating land access, basic infrastructure, and investment incentives. This multi-level support significantly reduces project risk and ensures long-term operational sustainability.

#### **Empowering Farmers and Local Communities:**

Social impact is a core component of the project. MCS is committed to empowering local farmers through structured harvest partnership programs and technical assistance, enabling them to improve productivity and income. Additionally, the project will generate significant employment for local residents, stimulating regional economic development and enhancing the welfare of nearby communities—especially Muslim populations. Community upliftment is one of the key success indicators of this initiative.

#### Long-Term Vision – Regional Replication:

MCS's halal rice agroindustry model is designed for scalable replication across other regions in Indonesia and throughout ASEAN. Success in Central Kalimantan and East Luwu will serve as a proof of concept, enabling further expansion. The ultimate long-term goal is to strengthen regional halal food security and position the Indonesia–Malaysia partnership as a leader in large-scale halal food production in Southeast Asia.



## **About Company**

- CV Menata Citra Selaras

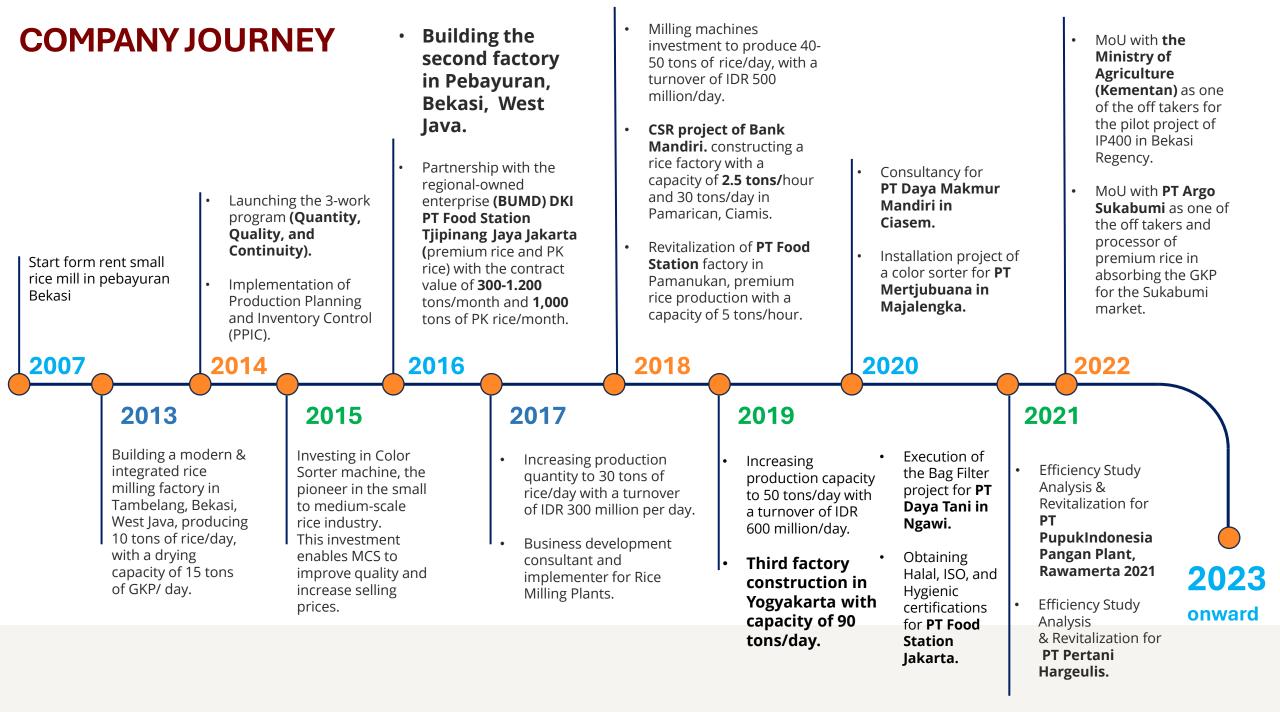
   (MCS) is a modern rice milling company since 2013, specializing in the production and distribution of high-quality rice. With a daily production capacity of 36.000 tons/year, MCS operates in three strategic locations:
- Cibitung,Bekasi, West JavaPebayuran, Bekasi, West Java
- Kulon Progo, Yogyakarta

## **Brands & Products**

- MCS owns several leading rice brands and become base productions for several bestknown brand in Indonesia.
- The company continuously develops partnerships and product innovations to meet both domestic and international market demands.

## **Strengths & Potential**

- Extensive distribution network & strong customer base
- Efficient operations with years of industry expertise
- Investment in modern technology & production optimization
- Branding strategies & product diversification to expand market reach
- MCS is poised to become a leader in Indonesia's rice industry, leveraging strategic investments and partnerships for sustainable growth.



## **COMPANY JOURNEY 2023**

## 2023

- Business development for **rice seed production**.
- The Yogyakarta factory operates with a capacity of 30 tons/day. Total production capacity of 120 tons/day (40 tons of broken rice and 80 tons of premium rice) with daily turnover of IDR 1.2 billion.
- Establishment of 2 business entities: **PT MCS Sukses Makmur and PT MCS Retalindo Utama**. For Distribution and Trading

- Cooperation with stateowned enterprise (BUMN) PT RNI to produce premium rice ranging from 200 to 500 tons/month.
  - Cooperation with **PT Denso** as premium rice supplier for employees with a capacity of 30 to 50 tons/month.
  - Halal and hygienic certification process.

- state- Project: **PT Daya Makmur** Mandiri in Ciasem (bag filter).
  - 500 Project: Color Sorter at **PT Mertjubuana in Majalengka.**

• Feasibility study and consulting of modern construction RMU in Sukabumi.

## 2024

- MOU with **Sukabumi Regency**, West java, with the facility of Bank Indonesia for build Rice Mill with capacity 100 ton per days. Total investment value 6 M USD
- •MOU With **Tapim Regency**, South Kalimantan Goverment. For building rice mill with capacity 500 ton/day and operate on farmd 25.000 ha with total investment value 200 M USD

 Product development: Premium rice retail packaging under the brands MCS Setra Ramos Ungu, MCS Setra Ramos Merah, and MCS Setra Wangi.

- Memorandum of Understanding (MoU) has been signed for cooperation with **PT Agro Jabar** as a paddy off-taker and rice production partner.
- MOU with **PT Paskomnas**, for create new rice Market in Palembang, Tangerang & Surabaya, new potential market 40.000 tons/year.

## 2025

- **Create Agrevaz, LLC** Company in Dubai for export market in Middle East Rice market
- MOU with Malaysian Government For Rice Production & Development in Indonesia form Malaysian Market
- Choose as IT & Technologies Division in DPP Perpadi
- Mou With **PT Bulog** (Indonesian Government) for Indonesian Rice Stock
- Mou With **Luwu Timur Regency**, South Sulawesi, for create modern Rice mill Unit, with capacity up to 1500 ton per days, to absob paddy production in east luwu. And the government as offtakers all of the rice production.

## **OUR PRODUCTS & SERVICES**



Explore the diverse deliciousness of our premium rice. From superior rice to specialty varieties, each product reflects the highest quality standards, offering a unique culinary experience.

- Premium Rice Mentik
  Wangi
- Premium Rice IR
- Premium Rice Muncul
- Premium Rice Pera
- Premium Rice Ketan Putih
- OEM & Private Label

Explore our innovations with a variety of high-quality processed rice-derived products, which provide added value and are environmentally friendly.

- Menir Rice
- Black Reject
- White Reject
- Broken Rice
- White & Brown
- Dedak Halus (Bekatul)

We offer innovative consultancy services and rice mill manufacturing, guiding you through every step to establish and optimize factory operations with high efficiency.

mena

- Business management development consultation for rice milling.
- Consultation for revitalizing equipment, machinery, and layout for modern rice milling production.
- Construction and installation of rice milling facilities.
- Manufacturing of supporting facilities for RMU such as silos, conveyors, elevators, etc.

## 7 new brands in 3 market segments will be launched

Husk Powder

**Rice Charcoal** 

Rice Bran

## **FACILITIES PERFORMANCE & SERVICES**

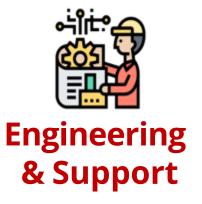




- 1. 3,000 tons per month of Premium rice and PK rice
- 2. CV Menata Citra Selaras (2013)
- 3. PT Menata Citra Serasi (2017)
- 4. CV mitra Cipta Sembada (2023)



- 800 tons per month at 3 months of age, with a potential of 2,000 tons per month in the first 3 months
- 2. PT MCS Sukses Makmur (2022)
- 3. PT MCS Ritelindo Utama (2022)

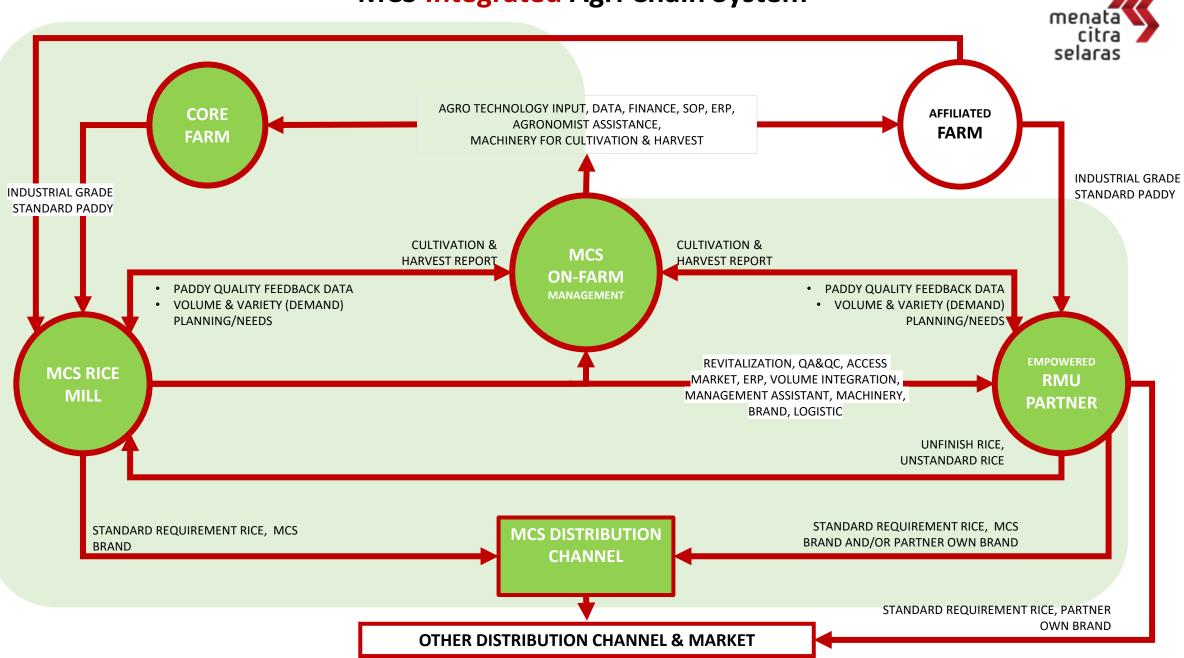


- 1. Building 4 RMU worth IDR50 billion and revitalizing 4 RMUs worth IDR5 billion (since 2013)
- 2. PT Menata Citra
- 3. Sejati (2022)



 Sharing and motivating hundreds of business owners for revitalization and appointed as a revitalization consultant by dozens of stateowned enterprises, regionalowned enterprises, and private companies.

## MCS Integrated Agri Chain System



## OUR FACTORY (2013 until now)







MCS Cibitung (2013), Bekasi Capacity : 5 tons/hour, 15.000 tons/year Premium Rice 1 shift, 10 hours work/day



SUNDA

MCS Pebayuran (2017), Bekasi Capacity : 4 tons/hour, 12.000 tons/year Brown Rice 1 shift, 10 hours work/day



MCS Wates (2024), Yogyakarta Capacity : 3 tons/hour, 9.000 tons/year Premium Rice 1 shift, 10 hours work/day

## **CURRENT PADDY SOURCE POTENTIAL**





Our Supplier : 60 suppliers of paddy and Rice abroad Indonesia

**Link to 1.600** Small, Medium, and High-Capacity Rice Mill in Indonesia with **Capacity of 3.000.000 Tons/year** 

Trading Source & Capacity Aceh: 120.000 Tons Rice/year South Sulawesi: 240.000 Tons Rice/year DKI Jakarta: 900.000 Tons Rice/Year

Paddy Source From South Sumatra, Lampung, Banten, West Java, Middle Java, And East Java, with potential production 35.671.647 tons of Paddy/year

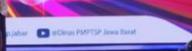
## MOU WITH SUKABUMI RESIDENCE New RMU 30.000 Tons/Year Capacity



## Signing of the Agreement beetween Sukabumi Regency Goverme CV. Menata Citra Selaras

"Cooperation for Enhancing Productivity Downstreaming of Rice Commodities in Suk@umi @gency."









Source: <u>https://sukabumikita.id/pemkab-sukabumi-berharap-punya-branding-beras-berkualitas/</u>



## MOU WITH TAPIN RESIDENCE, SOUTH KALIMANTAN







## BSIP South Kalimantan's Support in Optimizing Idle Land to Become Productive for Food Crops in Tapin

TAPIN (bsip-kalsel) --- Seeing the large amount of idle land in Tapin Regency which is mostly controlled by entrepreneurs domiciled outside South Kalimantan, and until now still not utilized, the Head of the Tapin Regency Agriculture Service came up with the idea to utilize the land to be able to produce food crops, because it has been neglected for decades and its area exceeds 1000 hectares. This idea is in accordance with the UPSUS program for expanding the Planting Area (PAT) which is currently being echoed by the Ministry of Agriculture.

With the Support of Entrepreneurs from Bekasi, especially rice, the Tapin Regency Government intends to turn the idle land into potential rice fields because it is close to an abundant water source, namely the Barito River. On the occasion of the tripartite meeting held recently on August 30, 2024, BSIP South Kalimantan was invited to be able to provide input and support if later the Tapin Regency government through the Tapin Regency Agriculture Service and rice entrepreneurs want to try the possibility of cultivating land by changing idle land into productive land. This is of course by involving cooperative farmers with rice entrepreneurs as partners.

This plan will also be an initiation to become a corporate farming model which will certainly provide many benefits to local farmers.



Link : https://kalsel.bsip.pertanian.go.id

## **PROJECT EXPANSION LOCATION IN KALIMANTAN**



## **Overview**

South Kalimantan (Kalsel) and Central Kalimantan (Kalteng) are key contributors to Indonesia's rice supply. With vast rice fields and increasing production, these provinces have the potential to be national food anchors. However, the lack of modern Rice Milling Units (RMUs) is holding them back—rice quality and added value remain low.

## **V** Total Surplus Potential

If all programs succeed, **combined surplus could reach 1.5–2 million tons of paddy per year**.

## 🔥 Key Challenge

Despite strong output, the lack of **modern RMUs** reduces rice quality, lowers farmer income, and limits access to national & export markets.

## **Source Potential**

## South Kalimantan (Kalsel)

Existing rice fields: ±380,000 ha
Productivity: 5.2–5.5 tons/haAnnual paddy output: ±2.1 million tons
Surplus: ~500,000 tons/year

### **Central Kalimantan (Kalteng)**

Existing rice fields: ±250,000 ha
Productivity: 4.3–4.8 tons/ha
Annual paddy output: ±1.1 million tons

•Surplus: ~150,000 tons/year

### Food Estate Expansion Targets

•Kalteng: +164,598 ha → +800,000 tons/year
•Kalsel: +85,000 ha → +450,000 tons/year

## Rice Mill Capacity & Market

New On Farm 25.000 ha potential to 100.000 ha Local variety and special rice variety

## New Rice Mill

Capacity 300.000 tons/Year expandable to 600.000 tons/year

### Market

Local & Export to Malaysia & Special rice to Middle East

## MOU WITH EAST LUWU RESIDENCE, SOUTH SULAWESI





Source: https://luwuraya.com/read/2025/05/20/ini-profil-pt-mcs-perusahaan-yang-akan-bangun-pabrik-beras-modern-di-luwu-timur/

## **PROJECT EXPANSION LOCATION IN SOUTH SULAWESI**

security.



#### **Overview Source Potential Rice Mill Capacity & Market Overview** Luwu Raya (Luwu, North Luwu, East Luwu, **Expansion Potential** Palopo) is a major rice-producing region in Indonesia with •New Rice Fields (food estate): +30,000 fertile land and strong agricultural potential. Yet, the ha region lacks modern Rice Milling Units (RMUs), limiting •Added Production: +180,000 tons **New On Farm** farmer income and product quality. paddy/year 25.800 ha •Future Surplus: ~600,000 tons/year Local variety What's Needed •Investment in modern RMUs (higher quality, lower **Existing Rice Field Area (2023) New Rice Mill** •East Luwu: ~45,000 ha losses) Capacity 150.000 tons/Year •On-farm infrastructure & irrigation •North Luwu: ~35,000 ha •Farmer partnerships for sustainable supply chains •Luwu: ~30,000 ha Market •Palopo: ~10,000 ha Local & Surrounding Industry Vision: Make Luwu Raya a core engine for Indonesia's food

Planned Field Expansion •2024–2025: +5,000–10,000 ha •2025–2029: +20,000–30,000 ha

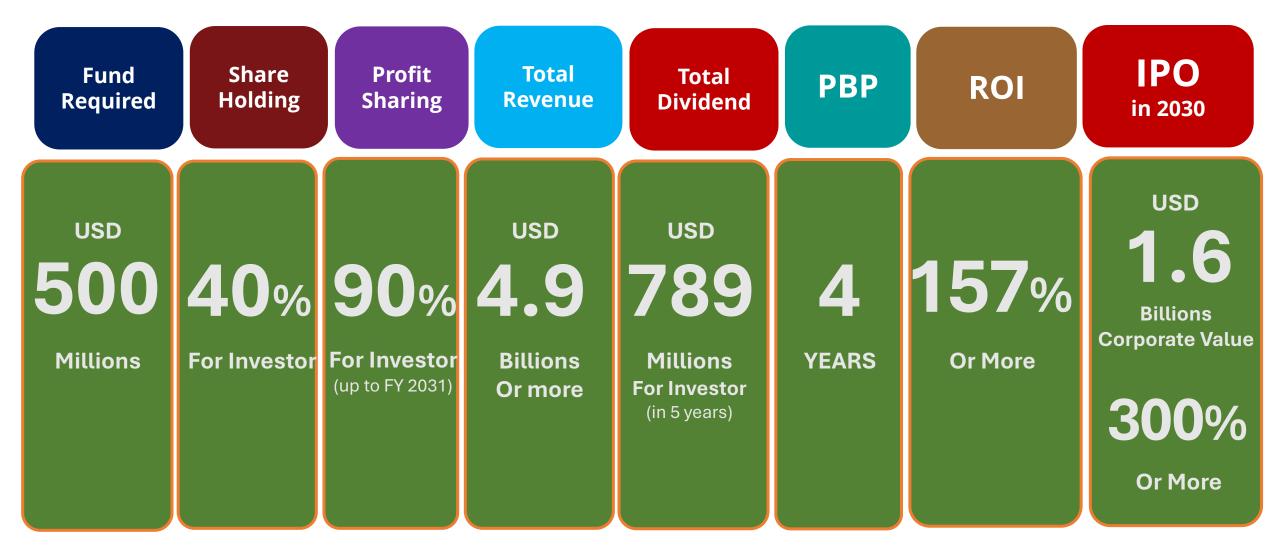
## **DEVELOPMENT PHASE**



			PROJECT TIMELINE																							
NO			Jul-2	5 Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27
1	Feasibility Study (FS) Cost																									
2	Supplier, vendor survey & tender																									
3	Farm land acquisition on kalimantan 20.000 ha																									
4	Farm Land Development																									
5	Farm Land treatment																									
6	land acquisition on East Luwu South Sulawesi																									
7	Land Development East luwu																									
8	land acquisition on Central kalimantan (20 ha)																									
9	Land Development Central Kalimantan																									
10	Factory Field Development																									
11	Infrastructure Supporting																									
12	Sertification & Government Permit																									
13	Truck, Forklift, Operational car																									
14	RMU unit order, delivery & Installation																									
15	Automatic & Robotic Packaging System																									
16	Silo & Installation																									
17	ERP, IOT & Automatic Interlock System																									
18	Mechanical & Electrical																									
19	Project Management																									
20	Contigency Cost																									
	TOTAL CAPEX																									
	OPEX	I																								

## JV INVESTMENT HIGHLIGHT







## GLOBAL GO-TO-MARKET (GTM) STRATEGY FOR MCS PREMIUM RICE

MCS is poised to lead Indonesia's premium rice brand to the global market with a fully integrated, sustainable, and technologysupported supply chain.

This GTM strategy enables MCS to tap into global food security trends while delivering both profitability and impact.

## 1. Market Context & Opportunity Global Demand Drivers

### **Global Demand Drivers**

- Rising demand for premium and organic rice due to health trends.
- Growing Asian diaspora in Western countries sustains consumption.
- Plant-based diets increasing adoption of high-quality staple grains.

### MCS Supply Advantage

- Access to 1,600+ rice mills with 3M+ tons/year capacity.
- Vertically integrated—from paddy to packaged product.
- On-farm projects in Tapin & Sukabumi (15,000 ha).
- Advanced processing facilities with ISO, Halal, and Hygienic certifications.

## 2. Target Market Segments

Segment	Geography	Channels	Buyer Type	Positioning		
Health-Conscious	US, Canada, Germany	Amazon, premium grocers	D2C	Organic, whole grain, low GI rice		
Ethnic Retailers	Middle East, Europe	Importers, ethnic chains	B2B	Jasmine, glutinous, fragrant rice		
HORECA / Food Service	GCC, Southeast Asia, Africa	Distributors, bulk supply	Hotels, restaurants	Quality, consistency, bulk supply		
Private Labels / OEM	Japan, Korea, EU	Retail chains, wholesalers	Retailers	Custom-labeled premium rice		
Government & NGO	Africa, ASEAN	Direct tenders	Governments, NGOs	Fortified, nutrition-focused rice		



3. Product and Positioning Strategy

#### **Product Lines:**

- **Retail Packs (1kg, 5kg):** Organic, low Gl, glutinous, jasmine.
- Wholesale Packs (25kg, 50kg): Premium for restaurants and processors

### **Brand Pillars:**

- **Traceable & Sustainable:** Origincontrolled rice from Indonesia.
- **Premium Quality:** Color-sorted, moisture-tested, hygiene-assured.
- **Impact-Driven:** Empowering 1,600+ RMUs, promoting food security.

## 4. GTM Strategic Pillars

### 4.1 Product & Packaging

- Retail branding + OEM options.
- Certifications: Organic, Halal, ISO, EU Compliance.

### 4.2 Market Entry Phases

- Phase 1 (2025):
  - Export to UAE, Japan, Singapore.
- Phase 2 (2026):
   Launch D2C in US, EU via Amazon,
   Shopify.
- Phase 3 (2027):Retail partnerships (Carrefour, Tesco).



### 4.3 Marketing & Awareness

- Digital campaigns (Google, Meta, TikTok).
- Storytelling content (videos on farm-to-table journey).
- Food expos: Gulfood, SIAL, Fancy Food, Anuga.
- Endorsements from chefs, influencers, bloggers.

#### 4.4 Sales & Distribution

- Appoint exclusive distributors per country.
- B2B and consignment strategy for retail.
- CRM integration to manage pipeline and reporting.



## 4.5 Fulfillment & Logistics

- Use RMUs in Sukabumi & Tapin as export hubs.
- Utilize FTZ in **Singapor**e & Dubai.
- Local 3PL partners for distribution efficiency.

## 5. Financial Projection

Year	Revenue (\$M)	EBITDA Margin	Drivers
2025	\$354M	19.3%	Factory ramp-up, export launch
2026	\$423M	19.7%	Market expansion
2028	\$500M	20%+	Full GTM implementation
2030	\$1.6 B Target IPO	~20%	Global scale-up + downstream

## 7. Risk & Mitigation

Risk	Mitigation Action
Commodity Price Volatility	Capital-backed stockpiling
Trade Barriers	Multi-country compliance and JV options
Consumer Trust	Transparency and certification
Capacity Overload	White label and OEM absorption

## 8. Implementation Roadmap (2025-2027

Quarter	Milestone
Q3 2025	Finalize branding, certifications, packaging
Q4 2025	First export to UAE, Japan, Singapore
Q1 2026	D2C launch on Amazon US and EU
Q2 2026	Onboard B2B distributors and ethnic retailers
Q3 2026	Secure private label deals with regional chains
Q4 2026	Exhibit in global food expos
2027	Expand regionally, scale fulfillment

## 6. Strategic Partnership

- Supply & Farming: Ministry of Agriculture RI, Agro Jabar, PT Denso, PT Food Station, IDFOOD, Bulog
- Retail: Lulu Hypermarket, Lotte Mart, Aeon, 212 Mart (tbc), General Trade Distributor, Modern Trade Dsitrbutor, Instition & Goverment
- **Logistics:** Collaboration with bonded warehouses and 3PL partners.
- **R&D & ESG:** BRIN, renewable energy, biodegradable packaging.

## **MARKET OVERVIEW**



Aspect	Middle East	Malaysia	Indonesia (Domestik)	
Total Demand	Over 5 million tons per year	±1 million metric tons annually	Deficit of approximately 3 million tons per year	
<b>Primary Destination Countries</b>	Arab Saudi, UEA, Irak, Qatar, Iran	BERNAS serves as the primary rice importer	Eastern Indonesia, large industrial zones	
Preferred Rice Varieties	Basmati, Organic Rice, and Low Glycemic Index Rice	Premium and medium-grade white rice	medium rice and premium	
Key Buyer Criteria	Halal-certified, premium quality, and stable supply	Halal, competitive pricing, G2G or B2G cooperation	Availability, stable pricing, sustainable supply	
Key Competitors	India, Pakistan, Thailand	Thailand, Vietnam	Perum Bulog, major local rice mills	
Opportunities for MCS	Authoritative halal certification, specialized halal product offerings, and large-scale export capacity	Geographically close, Official business-to-government (B2G) relations, Halal-certified products	Supported by the Indonesian government – Integrated upstream-to-downstream system	
Government Support	Export support from the Indonesian Ministry of Agriculture	Diplomatic and technical support from the Malaysian Ministry of Agriculture	Full support from local governments of Central Kalimantan and Luwu Timur	
MCS Strategy	Focus on halal specialty rice and faith-based branding	Stable volume and halal certification for the regular market	Direct supply to industries and deficit regions	

## **INDONESIAN MARKET PRODUCTS & SEGMENTS OVERVIEW**



Segment	Potential Buyers	Provinces/Cities
Premium MT	Supermarkets (Indomaret, Alfamart, Hypermart, Lion Superindo, Lotte Mart, Family Mart, Fresh Mart), E-commerce (Shopee, Tokopedia, Blibli)	National all province in Indonesia (Especiallly High-income urban areas)
Premium GT	Distributors, wholesalers, traditional markets, small grocery stores	Java (Cipinang, Cirebon, Solo), Sumatra (Medan, Palembang), Kalimantan (Banjarmasin), Sulawesi (Makassar)
Institution	Government agencies (police, military, hospitals, schools), large corporations with canteens and employee cooperative	Jakarta (government contracts), Bandung, Surabaya
B2B	Rice brands owner (Food Station, IDFood, HNM)	Cikarang, Karawang, Tangerang, Subang, Cibitung, Bogor, Sukabumi (industrial zones)
Agen class A	Local distributors and small-scale rice traders large quantity	Jabodetabek, Bandung, Semarang, Surabaya, Banten, Cirebon, Solo, Kediri, Brebes, Karawang
Agen class B	Local distributors and small-scale rice traders medium quantity	Jabodetabek, Bandung, Semarang, Surabaya, Banten, Cirebon, Solo, Kediri, Brebes, Karawang
Horeca	Hotels, restaurants, catering businesses	Bali, Jakarta, Bandung, Surabaya, Yogyakarta (tourist and business hubs)
Barokah Nusantara Project	Mosque, Pesantren, Boarding School	Jabar, Jateng, Jatim, Banten, Jabodetabek
Special Rice GT	Health-conscious consumers, boutique rice shops, specialty stores	Jabodetabek, Semarang, Bali, Surabaya, Yogyakarta (high-income, wellness-conscious markets)
Special Rice MT	Organic stores, premium supermarkets, Japanese Supermarket	Jakarta (Kem Chicks, Ranch Market), Surabaya, Bali, Medan
Main Market	Mass distributors, wholesalers, large-scale buyers	Cipinang (Jakarta)

## **Beras Barokah Nusantara:**



## A Sustainable Food Ecosystem for Islamic Communities



## **Closed-Loop Ecosystem Based on Islamic Boarding Schools**

- Connecting farmers, small rice mills, and pesantren in a sustainable value chain.
- High-quality rice for santri consumption and cooperative distribution.

## Social & Economic Impact

- Empowering farmers through off-taker schemes and production mentoring.
- Pesantren as a center for sustainable food distribution.

## **Production & Impact Targets**

- Year 2: 6,000 tons (2.286 farmers, 800 hectares of rice fields, 42,000 santri, 26 mills)
- Year 5: 36,000 tons (13.714 farmers, 4.880 hectares of rice fields, 252,000 santri, 160 mills)

## **Investment Potential**

- Stable market: Millions of santri and thousands of pesantren as key customers.
- Efficient logistics system through strategic partnerships.

## Together, We Build Food Sovereignty for the Ummah!

## **CHALLENGE & COMPETITIVE ADVANTAGE**



## Challenge

#### Large-Scale On-Farm Management

Managing 100,000 hectares in Central Kalimantan and 6,000 hectares in East Luwu requires an integrated agronomic system, high-level mechanization, and well-trained human resources. Key challenges include land mapping, irrigation systems, and post-harvest control to ensure stable yields.

#### **Supporting Infrastructure in Frontier Regions**

In certain areas of Central Kalimantan and East Luwu, infrastructure for roads, ports, and industrial energy remains underdeveloped. Additional investment or strategic partnerships with the government are necessary to ensure smooth logistics and export operations.

### **Dependency on Export Regulations**

While Indonesia's Ministry of Agriculture supports rice exports, export licensing remains sensitive to national food stability policies. A strong diplomatic and legal strategy is essential to maintain consistent export permits to Malaysia and the Middle East.

### **Global Competition from Traditional Exporting Countries**

Countries like Thailand, Vietnam, India, and Pakistan have long dominated the global rice market. To compete effectively, MCS must offer a compelling value proposition beyond price — focusing on quality, halal certification, and sustainability.

### **Climate Uncertainty and Crop Failure Risk**

Extreme weather fluctuations, such as flooding or drought, can severely impact production output. Risk mitigation strategies must include climate-resilient seed varieties, IoT-based monitoring, and adaptive crop planning.

## **Competitive Advantage**

#### Halal Focus and Sharia-Compliant Model

The project is operated under Sharia principles—interest-free financing, profit-sharing schemes, and strong ethical governance—making it particularly attractive to Muslim investors. All harvested rice will also be halal-certified to support exports to Muslim-majority countries.

#### Strategic Indonesia-Malaysia Partnership

The project is directly supported by Indonesia's Ministry of Agriculture, with formal communication channels already established with Malaysia's Ministry of Agriculture and BERNAS (Malaysia's national rice importer). This enhances market access and builds international buyer trust.

#### **Fully Integrated Value Chain**

MCS will oversee the entire value chain—from on-farm production and rice milling to packaging and export. This vertical integration minimizes reliance on third parties, ensures cost efficiency, and guarantees consistent quality and pricing.

#### **Government Support and Land Access**

Regional governments in Central Kalimantan and East Luwu have committed their support and allocated land under long-term lease schemes. This provides legal and affordable land access, overcoming one of the major barriers faced by other industry players.

#### High-Value, Niche Product Segmentation

In addition to producing staple rice, MCS will offer specialty varieties—organic, low-glycemic, and pesticide-free—targeting premium markets in the Middle East and Malaysia. This approach boosts profit margins and fosters stronger customer loyalty.

#### **Replication Potential Across ASEAN and Large Domestic Market**

The project has strong potential for replication in other ASEAN countries. Domestically, Indonesia still faces an annual rice deficit of 2–3 million tons, presenting a significant opportunity to meet national demand and reduce import dependency.

## COMPETITOR



### **Export Market Focus: Malaysia**

#### **International Competitors:**

#### **Thailand & Vietnam**

**Strengths:** Strong export infrastructure, competitive pricing, and long-standing trade relationships.

#### Weaknesses:

- Non-Muslim majority countries → not all rice products are certified halal by authoritative Islamic bodies.
- Growing concern among Malaysian Muslim consumers over the origin and halal integrity of food products.

### **MCS Market Position:**

- Stronger value proposition in terms of *halal* assurance, Sharia-compliant operations, and geographical proximity.
- Direct support from Malaysia's Ministry of Agriculture and potential collaboration with BERNAS enhances market credibility and buyer trust.

## **Export Market Focus: Middle East**

Main Competitors:

### India & Pakistan

**Strengths:** Dominate the *basmati rice* segment with established loyalty across GCC countries.

### Weaknesses:

- Heavy reliance on a single rice variety (basmati).
- Political volatility and export restrictions (e.g., India's temporary ban on non-basmati rice exports).
- Limited alignment with growing consumer demand for healthier or organic rice options.

### **MCS Market Position:**

- MCS targets the specialty rice segment organic, low-glycemic, and pesticide-free with halal certification from Indonesia, which is recognized by OIC member states.
- Its unique appeal lies in the spiritual value and cross-Muslim-country collaboration, offering strong differentiation in premium Middle Eastern markets.

## Domestic Market Opportunity: Indonesia (-3 Million Tons)

**Competitors:** 

### Perum Bulog and Local Private Producers

**Strengths:** Extensive distribution networks and control over government programs.

#### Weaknesses:

- Many regions, especially in Eastern Indonesia and large-scale industries, remain underserved.
- Subsidy distribution is often inefficient, creating substantial opportunities in the commercial market.

### **MCS Market Position:**

- The East Luwu project (30,000 tons annually) is aimed at supplying underserved industrial and local markets facing supply shortages.
- With full control from on-farm operations to milling, MCS ensures competitive pricing and consistent quality.
- Strong potential to supply large industrial segments (mining, energy, manufacturing) that require reliable and direct sourcing.

## **STRATEGIC CONCLUSION**



- MCS occupies a unique position by effectively operating across three markets simultaneously.
- With a focus on halal compliance, Sharia principles, integrated upstream-to-downstream management, and strong government support, MCS is not only a competitive player but also a strategic, long-term partner in Indonesia's food system and the broader Muslim world.

Target Market	Key Competitors	Competitors' Weaknesses	MCS's Competitive Advantages
Malaysia	Thailand, Vietnam	Non-halal, Far	Close proximity, halal-certified, approved by Bernas & Ministry of Agriculture
Middle East	India, Pakistan	Unstable Political Situation	Stable, halal, premium, diversified, varietal
Domestik RI	Bulog, swasta lokal	Uneven Distribution	Integrated on-farm, flexible, adaptive

## **ESG FRAMEWORK**



## **Environmental:** Sustainable and Smart Agriculture

- **Smart Farming Technology:** Integration of AI, IoT, and ERP to enhance productivity and reduce environmental impact.
- **Renewable Energy:** Construction of a **10 MW Rice Husk Power Plant** in Tapin, South Kalimantan, utilizing agricultural waste as clean energy.
- Waste-to-Value Products: Development of eco-friendly ricederived products such as rice bran, charcoal, and broken rice.
- **Eco Packaging & R&D:** Collaboration with **BRIN** to adopt biodegradable packaging and green production innovation.

### **Governance:** Sharia-Based & Strategic Structure

- Sharia-Compliant Financing: Interest-free funding model with profit-sharing (90% for investors until 2031); fully aligned with Islamic finance principles.
- Strong Institutional Support:
   Strategic partnerships with the
   Malaysian Government, BERNAS,
   PT Bulog, and the Ministry of
   Agriculture (Indonesia).
- Vertical Integration: End-to-end control of the supply chain—from on-farm cultivation to rice milling and export ensuring quality and traceability.
- Transparency & Compliance: Certified by Halal, ISO, and Hygienic standards, with planned IPO in 2030 and clear capital gain strategy (500%).

Social : Inclusive Development & Food Security

#### • Small Local Rice Mill:

Structured partnership programs with local small rice mill, including training, support, management assistance, ERP system, revitalization and guaranteed purchase of rice. 1.600 RMU in the next 8 years and 50.000 more new high income and quality labor from surrounding area.

### • Farmer Empowerment:

Structured partnership programs with local farmers, including training, support, and guaranteed purchase of harvests. **6 Millions Farmers** affected in next 8 years and 2.2 M ha farm field.

Job Creation:

Thousands of new jobs across South Kalimantan and East Luwu in farming, processing, logistics, and export operations.

#### Halal & Ethical Mission:

Aimed at securing halal food supply for Muslim-majority countries through transparent, certified processes.

#### Community Support:

Full cooperation from local governments ensures inclusive regional development and local welfare upliftment.



# MCS IS NOT JUST AN ORDINARY RICE MILL

YEAR	1	2	3	4	5	6	7	8
Total MCS RMU partner	1	5	15	50	120	360	800	1.600
Total MCS RMU	3	4	5	8	10	12	12	12
Total Rice Prod Per Year (Ton)	75.000	154.500	355.500	777.000	1.614.000	3.504.000	6.894.000	12.984.000
Total Paddy per Year (Ton)	144.231	297.115	683.654	1.494.231	3.103.846	6.738.462	13.257.692	24.969.231
Total Husk per Year (Ton)	28.846	59.423	136.731	298.846	620.769	1.347.692	2.651.538	4.993.846

## MCS ROADMAP PRODUCTION CAPACITY

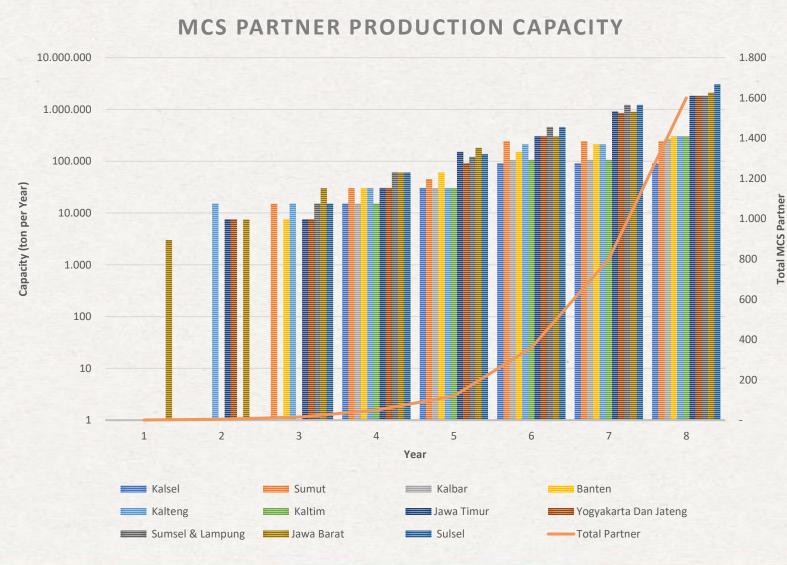




**12 MODERN & AUTOMATIC RMP 14 T (TRILLION) OF FUNDS NEEDS 14 T IDR REVENUE PER YEAR 1 T NPM PER YEAR 1.200 LABOR CREATE 1 MILLION TONS RICE PRODUCTION** PER YEAR 200.000 HA FARM LAND **600.000 OF FARMERS** 



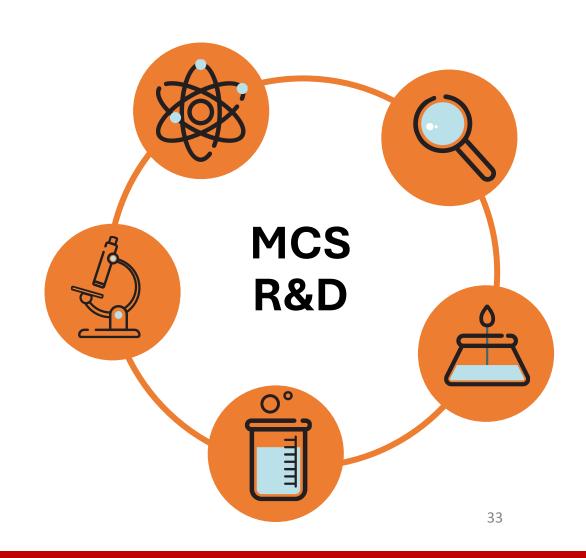
## MCS PARTNER PRODUCTION CAPACITY





## **RESEARCH & DEVELOPMENT** OF PRODUCT, SIDE PRODUCT & DOWNSTREAM INDUSTRY

- 1. Smoke Liquid
- 2. Heat Resistent Material
- 3. Bullet Proof Material
- 4. Biodegradable Plastic Material
- 5. Biofuel
- 6. Household Product
- 7. Advanced Material
- 8. High Tech and earth safe Raw Material
- 9. Rice Flour (Gluten Free)
- **10. Rice Noodles**
- **11.Analog Rice (Healthy Rice)**





## **SHARING IS CARING**





DEPARTMENT OF AGRICULTURE, BUMD AND OFFICIAL GOVERNMENT OF BEKASI DISTRICT

## **THANK YOU**









