

EXECUTIVE SUMMARY

PT. Hijau Segar Farm (Fresh Green) is a horticulture agrobusiness company that will produce high quality hydroponic vegetables in a greenhouse with controlled environment, by utilizing hydroponics technique named Nutrient Film Technique (NFT) and utilizing Internet of things (IOT) as automatic control system, and not using chemical pesticides. The product will be marketed using "Fresh Green" Brand. The production facility will be built in Tangerang, and Fresh Green will produce three types of vegetables, which are Horenso (Japanese spinach), Romaine lettuce, and Phokcoy.

Fresh Green has a vision to become a modern hydroponic farm that provides healthy, reliable farm, and becomes the first choice for hotels and restaurants in Indonesia through technological innovation, excellent service, and using eco friendly materials.

Fresh Green will build a greenhouse with a total area of 12,000 m² in few stages. The first phase of greenhouse construction will start in Q2 2022 with a greenhouse area of 4,500 m² and start the production in 2023. The production target in the first year is around 100 tons, then in the second year Fresh Green will build an additional 4,500 m² greenhouse so that production is increased to 260 tons in third year. In the 4th year, Fresh Green will build additional 3,000 m² of greenhouse which will increase the production capacity up to 370 ton per year from 5th to 10th year.

Fresh Green will implement a differentiation focus strategy, by targeting market segments that require excellent appearance of vegetables, because the vegetables are directly exposed to their consumers, such as fine dining restaurants, shabu-shabu restaurants, Korean restaurants, Japanese restaurants, and others. The advantages of Fresh Green products are high quality vegetables, consistent supply, competitive prices, and satisfactory service.

Fresh Green will make an initial investment of 12.5 billion rupiah, with Most Likely scenario, the revenue in the first year will be 4,5 billion rupiah with CAGR 16% for 10 years. This will provide the company with Profitability Index 1.66, NPV of 20.6 billion and IRR 35.3%. Payback period will be reached in 3 years and 8 months. Total dividen 23 billion rupiah will be given to shareholder with the dividen payout ratio 60%. Therefore, this business plan is feasible to implement.