

## EXECUTIVE SUMMARY

We are BRAGA Seal Solution. We aim to be the finest hydraulic and pneumatic seal provider in Indonesia. We provide custom seal solutions based on customers' needs. We make sure we understand our customers precisely by analyzing and establishing clear communication with them about their technical problems. We are also equipped with our formula of seal calculation based on vast historical data and experience on the said field.

Hydraulic and pneumatic cylinders are widely used as machine components in manufacturing, mining, and even the power plant industry. Hydraulic cylinders are used because of how efficient and effective they are compared with other methods like a pulley or driven shaft. There is however a downside. Hydraulic cylinders need constant maintenance, often only lasting for 2 years until they need a repair. Despite being quite complicated with hundreds of components inside, one component outstands the others as the primary cause of failure in a cylinder. That component is the seal.

A seal is a unique component inside a cylinder because while the other parts are made of metals, seals are made of rubber or polymers. Their profiles and dimensions are also specific and unique to each cylinder. Most OEMs (Original Equipment Manufacturer) make their seals in batches so it could be purchased according to their product codes, but OEM's delivery is notoriously slow and expensive, making most industries hesitant to order seals from OEMs. Others like third-party seal makers own a huge database of seals and try to standardize seal dimensions and profiles. They don't distribute their products to end customers directly, but through local stores in local markets like Glodok. Their price is much cheaper than OEM's but, in most cases, their typical dimension and profile will likely not fit correctly into customers' cylinders.

Therefore, we came into a solution: manufacturing customized seals by machining products based on each customer's case and need. We keep raw materials in the form of billets as stock and create individual seals according to specifications and requests from customers. We make sure to deliver every product with absolute precision and reliable lead time. We use robust machinery and quality

raw materials supplied from Europe, along with 0.01-millimeter precision cutting tools.

To boost our sales at around 40 percent each year, we will be working with sales engineers with experience in both hydraulic cylinder technologies and B2B trading. Our design engineers with at least 5 years of experience in the industry will be in charge of creating seal design solutions to our customers. Meanwhile, our production engineers will see the production planning through to ensure on-time deliveries of our products.

Our main target market are large manufacturing industries defined as having an investment value of more than 15 billion IDR and at least 20 employees, especially those in the automotive, tire, cement, and power plant sectors. First-year revenue is projected to be 8.8 billion IDR and we are looking at an annual growth rate of 40% during our initial five years. By the end of our tenth year, we expect to gain at least 20% share of the domestic hydraulic seal market.

The amount of initial investment is estimated to be 11 billion IDR, of which 52.5% will be provided by the founders. Projected five-year IRR (internal rate of return) and DER (debt-to-equity ratio) are 59.65% and 9.49% respectively, while NPV is expected to be 35.3 billion IDR. Additionally, we also predict that it would take only 3 years and 7 months for the business to achieve payback.