

## EXECUTIVE SUMMARY

### Introduction

PT. Prisma Global Solution (PGS) is a biodegradable packaging product provider. PGS helps food & beverage (F&B) companies reduce their plastic waste by providing biodegradable alternatives to their traditional packaging products.

### Company and Management Team

PGS was incorporated in Bogor, Indonesia. The location is critical for sustainable growth because a dominant portion of its target market operates in Jakarta and the derived demand is also most prevalent in Jakarta.

PGS's management team will consist of the following members:

- Director: Responsible for strategic direction.
- Marketing Manager: Responsible for market management.
- Operations Manager: Responsible for operational management.
- Finance Manager: Responsible for financial control.
- HR & GA Manager: Responsible for people management.

### Market Potentials

The biodegradable packaging market is still in its infancy and is projected to grow approximately 10% each year within the short future. The market for biodegradable packaging consists of members who was once part of the traditional packaging market, but has converted to follow a sustainability agenda driven by various layers of regulatory institutions.

Market size calculations are based on biodegradable packaging product demand from F&B industry leaders, since they are the most significant companies that have sustainability agendas. These companies are KFC, McDonald's, Starbucks, with contribution 80% of the market and others with contribution 20% of market. The estimated market size during the first year of operations is approximately Rp320 billion. It will grow at a CAGR of 7.62% for the next 5 years to approximately Rp430 billion, with 5,97% market penetration rate.

In year 3 of operations, PGS aims to gain 25% of KFC, 25% of McDonald, and 10% of Starbucks' yearly need for beverage containers. In year 5, PGS aims to increase the shares for all three target companies to 50%.

## **Competitive Advantages**

PGS's products offer the following competitive advantages:

1. Products that follow the design specifications of global food & beverage industry leaders. This ensures functionality and hygiene. Compared to the rest of the Indonesian competition, PGS will be the company that complies to the most number of specifications given by F&B industry leaders.
2. Products that are biodegradable. PGS uses bioplastic to create products that decompose in 90-180 days.

## **Financial Projections**

PGS forecasts to generate profits in the third year of operations with a net income margin of 16% from a revenue of Rp 99 billion. That margin is expected to increase to 27% from a revenue of Rp 217 billion year 5 of most likely scenario. The revenue is expected to increase at a CAGR of 83% in the first 5 years of operations.

The steep projected increase in revenue is driven by the nature of our targeted customers whom purchases packaging items in very large bulks.

The exponential increase in net income margin is driven by variable cost reductions from economies of scale and the diminishing need for marketing expenses.

PGS will be funded by its co-founders as well as external investors. From the initial investment of Rp16,983,675,521, as much as 60% will be funded by the co-founders, and the remaining 40% from external investors, all in the form of equity. The 60% co-founder portion will be split evenly among the 5 co-founders.