

 Early Warning System

IFC-40946

Awal Bros



Quick Facts

Countries	Indonesia
Specific Location	Pasar Kemis, Semarang, Sukabumi, Java, Sumatera, and Kalimantan
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Borrower	PT FAMON AWAL BROS SEDAYA
Sectors	Education and Health
Investment Type(s)	Loan
Investment Amount (USD)	\$ 75.00 million
Loan Amount (USD)	\$ 75.00 million
Project Cost (USD)	\$ 122.00 million



Project Description

According to the bank document, the proposed investment is an up to US\$ 75 mm 10-year A-Loan to PT Famon Awal Bros Sedaya ("Famon Awal Bros" or the "company"), to support its overall expansion plan (The "Project") within the next 5-7 years. The loan will consist of two tranches.

The first tranche, expected to be committed in early 2020, is an up to US\$35 mm Loan to support the Company's immediate plan to build three new hospitals, expand bed capacity in existing hospitals and potential refinancing.

The second tranche up to US\$40 mm, expected to be committed after the completion of the three new hospitals under tranche 1, will be used to support the expansion plan for the remaining future hospitals. Currently, the company owns and/or operates eight hospitals with over 1000 beds across the islands of Java, Sulawesi and Kalimantan.

The company also owns and operates several clinics, including corporate in house clinics and a school clinic. The hospitals constructed under tranche 1 of this investment will be in: Pasar Kemis, Semarang and, Sukabumi, (under planning and design stage). The company have acquired the plots of land for these and up to 7 other future hospital units. Each new hospital shall be built within the urban fringe of second-tier Indonesian cities spread over about 6,000 - 13,000 m² of land including generator houses, wastewater treatment, waste storage, and car parking.



Investment Description

- International Finance Corporation (IFC)

The estimated Total Project Cost is US\$122 million, which can be broken down as follows:

Total Project Cost for the development of three new hospitals funded by Tranche 1 is estimated at US\$44 million. IIFC's funds - US\$35.00 million will be used to support bed capacity expansion in existing hospitals and potential refinancing.

Total Project Cost for the additional new hospitals to be developed after the initial three facilities are developed is estimated at US\$78 million. These additional hospitals will be funded in part by Tranche 2.



Private Actors Description

PT Famon Awal Bros Sedaya is owned by Prof. Dr. Yos Susanto, Mr. Arfan Awaloeddin, and the Saratoga Group.

Prof. Yos Susanto is an industry veteran with almost 40 years of experience in the Indonesian healthcare industry. He was previously in charge of the hospital operations of Indonesia's largest listed pharmaceutical group.

Mr. Arfan Awaloeddin's family originates from Pekanbaru in Sumatra and established a trading business in the 1950's dealing in agri-commodities and food staples. The Awaloeddin Family later expanded into services and logistics for the petrochemical and natural resources sectors. In 1997, the Awaloeddin Family entered the healthcare business with the development of their first hospital in their hometown of Pekanbaru.

Saratoga is an Indonesian private equity firm founded by Mr. Edwin Soeryadjaya. Established in 1998, Saratoga has invested in various sectors including healthcare, consumer, infrastructure, logistics and natural resources. Saratoga has been an IFC client since 2006.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	PT Famon Awal Bros Sedaya	Client	-
-	-	-	-	PT Saratoga Investama Sedaya Tbk	Parent Company	-



Contact Information

1/ The Project Contact

PT Famon Awal Bros Sedaya

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2/ IFC Contact

General IFC Inquiries

IFC Communications

2121 Pennsylvania Avenue, NW

Washington DC 20433

Telephone: 202-473-3800

Fax: 202-974-4384

3/ Local Access for Project Documentation

The SII will be disclosed locally at the following address:

Graha Cempaka Mas Blok D/20

Jl, Letjen Suprpto, Cempaka Putih

Jakarta Pusat 10640

ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org/>