EDGE Group’s LAHAB Signs MoU with Indonesia’s DAHANA at Indo Defence 2022



EDGE Group’s LAHAB, which specialises in producing a wide range of ammunition and provides cutting edge technologies in ammunition development, services, and training, today signed a Memorandum of Understanding (MoU) with Indonesia’s state-owned PT Dahana (Dahana), which is engaged in high energy materials and provides integrated explosives services for the General Mining, Quarry and Construction, Oil and Gas, and Defence sectors. The agreement was signed on the third day of the Indo Defence Expo & Forum 2022, being held at JIExpo Kemayoran in Jakarta, Indonesia until 5 November.

The MoU, which was signed by LAHAB CEO Arafat Al Yafei, and the Director of Technology and Development of Dahana, Suhendra Yusuf RPN, will pave the way for cooperation in the field of manufacturing, and the production of several types of explosives, capitalising on the existing capabilities of both companies, and allowing them to explore joint investment in the construction of a TNT plant at the Dahana Energetic Material Center (EMC) area in Subang.

Speaking on the occasion, Mr. Al Yafei said: “LAHAB’s agreement with Dahana is a perfect example of two highly specialised companies coming together to explore joint synergies and opportunities which will allow us to grow our individual and sovereign capabilities through partnership. By utilising these unique strengths, we are able to play a strategic role in strengthening the economic and security relationships between our countries, while pushing the boundaries of technology, and ultimately the superior services and solutions we offer our customers in both the defence and commercial sectors, while minimising potential disruption.”

The agreement is the result of the support and guidance of the leadership of both countries, EDGE, and DEFEND ID, the holding company under which Dahana sits. EDGE and DEFEND ID signed a Confidentiality Agreement in August 2021, and a Master Agreement in January 2022, for cooperation and evaluation of potential strategic partnerships in joint ventures, joint investments, and other joint opportunities.

Mr. Yusuf added: “As part of DEFEND ID, which serves to realise the independence of the national defence and security equipment tool, Alpalhankam, and to be a player in the global defence industry supply chain, DAHANA seeks to establish strategic cooperation with LAHAB and the wider EDGE Group. We hope that this MoU can be followed up and realised in order to increase the capability and capacity of each company.”

LAHAB and Dahana will establish a joint technical team which will be responsible for defining a complete roadmap and execution phase of the co-investment and the development of existing facilities in Indonesia. Both companies are also exploring cooperation for production of propellant and RDX, energetic materials that play a strategic role in the growth of sovereign defence capabilities. Currently, Indonesia’s domestic requirements for these materials are covered by imports, which are vulnerable to foreign embargoes.

In addition to being raw materials for the manufacture of explosives in the defence sector, TNT, Propellant, and RDX can also be used as raw materials for the manufacture of explosives in the commercial sector, such as mining.