

Press Release:

Chandra Asri Petrochemical Inaugurates the New Polyethylene Plant

- Investment of US\$ 380 million in new polyethylene plant has been realized and total production increased to 736 kilo tonnes per year
- Construction of the second petrochemical complex is worth Rp 60-80 trillion, and will absorb 25,000 workers

Cilegon, December 6, 2019 – President of the Republic of Indonesia, Joko Widodo today inaugurated the new polyethylene (PE) plant owned by PT Chandra Asri Petrochemical Tbk (Chandra Asri). The new PE plant's additional capacity of 400 kilo tonnes per year brings the total capacity to 736 kilo tonnes per year. The inauguration was also witnessed by the Minister of Industry of the Republic of Indonesia Agus Gumiwang Kartasasmita.

Indonesia's rapid growth increases the demand of raw materials as PE, however, Indonesia still imports around 40-50% from overseas.

President Director of Chandra Asri, Sir Erwin Ciputra said, "This is why we are focusing on increasing our capacity, to meet domestic demands. We hope this increase will be the substitute for imports and save up to Rp 8 trillion in foreign exchange. The new plant has also received tax holiday policy from the government; a policy that has created a good investment climate."

Investment for the second petrochemical complex

Despite the increase of domestic petrochemical capacity, it is still behind the rapid consumption growth in Indonesia. To answer to this challenge and in addition to increasing the capacity of the new PE plant, Chandra Asri also focuses on constructing a second petrochemical complex with investment of Rp 60-80 trillion. The construction is expected to be completed in 2024.

The second complex will bring Chandra Asri's total capacity to eight million tons per year. In the construction phase, Chandra Asri will absorb manpower approximately 25,000 people, many of whom are skilled workers such as engineers.

"We would like to thank President Joko Widodo and the Government of Indonesia for the support given. We are committed to continue to be Indonesia's growth partner," added Erwin.

In addition to investing in the second complex, since 2005 to 2019, Chandra Asri has also realized a total investment of Rp 28 trillion through various plant capacity expansions, debottlenecking, and construction of new plants.

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Chandra Asri

About Chandra Asri

Chandra Asri, a subsidiary of PT Barito Pacific Tbk as the majority shareholders, is Indonesia's largest integrated petrochemical company producing olefins and polyolefins. We incorporate state-of-the-art technologies and supporting facilities located in Cilegon and Serang of Banten Province. We are the only producer who operates a naphtha cracker, and is the sole domestic producer of ethylene, styrene monomer and butadiene. In addition, we are also the largest polypropylene producer in Indonesia. We produce plastic raw materials and chemicals used for packaging products, pipes, automotive, electronics, etc. For more information, please visit www.chandra-asri.com.

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