

Press Release:

### **Chandra Asri Awarded Tax Holiday by the Ministry of Finance for Its Second Petrochemical Complex**

- Chandra Asri's second petrochemical complex will receive 100% Tax Holiday on its corporate income tax for the first 20 years after initial commercial production, and another 50% reduction for the following two years
- Tax Holiday is the Government's strategy to attract investment in Indonesia on strategic industries such as petrochemical
- Investment of the second petrochemical complex is projected to be between US\$ 4-5 billion, scheduled to be completed around 2024, and create up to 25,000 jobs at construction peak

**Jakarta, 21 January 2020** – PT Chandra Asri Petrochemical Tbk has received an approval from the Ministry of Finance confirming a Tax Holiday Award on its second petrochemical complex development, PT Chandra Asri Perkasa. The Tax Holiday encompasses Chandra Asri Perkasa's Corporate Income Tax payments from commencement of operations for 20 years at 100%, plus a subsequent 2 years at 50%. The Tax Holiday, awarded to pioneer industries, is part of the Government's strategy to boost investment in Indonesia and spur economic growth.

"We extend our utmost appreciation to the Ministry of Finance and the Government of Indonesia for their continuous support towards improving the overall investment climate and ease of doing business. This policy will not only help business players such as Chandra Asri secure the investment needed, but also signals Indonesia's commitment to attract investors," said Erwin Ciputra, President Director of Chandra Asri.

At present, Indonesia is a net importer of petrochemical products with more than 50 percent of its petrochemical Olefins and Polyolefins being imported. The start-up of Chandra Asri Perkasa will help reduce Indonesia's import of petrochemical products, improve the domestic downstream economy, and improve the country's balance of payments.

Chandra Asri's second petrochemical complex will double its production capacity from the current four million tonnes per year, to eight million tonnes a year with products ranging from Polyethylene, Polypropylene, aromatics (Benzene, Toluene, and Xylene), Mixed C4 and Py-Gas. These products are ultimately used to produce packaging, pipes, cables, vehicles, and consumer household goods; and are geared towards meeting growing domestic demand.

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# Chandra Asri

## About Chandra Asri

Chandra Asri Petrochemical is Indonesia's largest integrated petrochemical company producing Olefins and Polyolefins. With a history of over 27 years and over 2000 dedicated staff, the company incorporates state-of-the-art technologies and supporting facilities located strategically in the country's petrochemical hub, Cilegon and Serang. As a Growth Partner, Chandra Asri is committed on creating high-value jobs, expanding the domestic petrochemical value chain, and serving the needs of the vibrant and growing Indonesian market. For more information, visit: [www.chandra-asri.com](http://www.chandra-asri.com)

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