

PT Chandra Asri Petrochemical Tbk  
**COMPANY PRESENTATION**

HSBC Asia Credit Tour – Virtual Series  
November 3<sup>rd</sup>, 2021

# Forward Looking Statements

**IMPORTANT NOTICE:** This document contains forward-looking statements concerning the financial condition, results of operations and business of PT Chandra Asri Petrochemical Tbk. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements.

There are a number of factors that could affect the operations and future performance of PT Chandra Asri Petrochemical Tbk, and cause the Company's results to differ from those expressed in the forward looking statements including (a) cyclicity in the petrochemical industry, (b) volatility of the international market prices, (c) fluctuations in the cost of feedstock, (d) variances to capacity and product expansion plans, (e) increased global and local competition, (f) unscheduled outages and shutdowns, (g) political and macro-economic risks, (h) trade-regulating actions by international governments, (i) evolving environmental and occupational health and safety laws, (j) dependence on third party providers, (k) approvals to renew permits/approvals/licenses, (l) risks associated with global pandemics e.g. COVID-19 outbreak, and (m) changes in trading conditions.

All forward-looking statements contained in this document are expressly qualified in their entirety. Readers should not place undue reliance on forward-looking statements. Neither PT Chandra Asri Petrochemical Tbk nor any of its subsidiaries undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information. In light of these risks, results could differ materially from those stated, implied or inferred from the forward-looking statements contained in this document.



Chandra Asri

# 1 COMPANY PROFILE

2 Investment Highlights

3 Financial Overview



# Chandra Asri – Indonesia’s Leading and Preferred Petrochemical Company

## Largest Integrated Petrochemical Producer in Indonesia

- **Largest integrated petrochemical producer** in Indonesia and operates the country’s only Naphtha Cracker, Styrene Monomer, Butadiene, MTBE and Butene-1 plants
- **Market leadership** in highly attractive Indonesia and SE Asia petrochemical market
  - Market share of approximately 50%, 30%, and 32% of the domestic market (including imports) in Olefins, Polyethylene, and Polypropylene, respectively
- **Support** from Barito Pacific Group, Siam Cement Group, and Thaipol (part of PTT Group)
- **Vital National Object** status
- **Transformed in 2016 following the 4Q2015 Naphtha Cracker expansion and Furnace revamping in 2019**, Production capacity increased by some 50% to Ethylene 900 KTA, Propylene 490 KTA, Py-Gas 418 KTA, and Mixed C4 330 KTA
- **Further downstream expansion completed in 2018-2020**
  - Butadiene plant up to 137 KTA from 100 KTA;
  - New Synthetic Rubber plant with capacity of 120 KTA (a joint venture with Michelin);
  - New Polyethylene plant of 400 KTA bringing total Polyethylene capacity to 736 KTA;
  - New expanded capacity of Polypropylene plant at 590 KTA through debottlenecking; and
  - New plant of MTBE and Butene-1 plant with capacity of 128 KTA and 43 KTA respectively which completed the second phase master plan of CAP integrated complex.

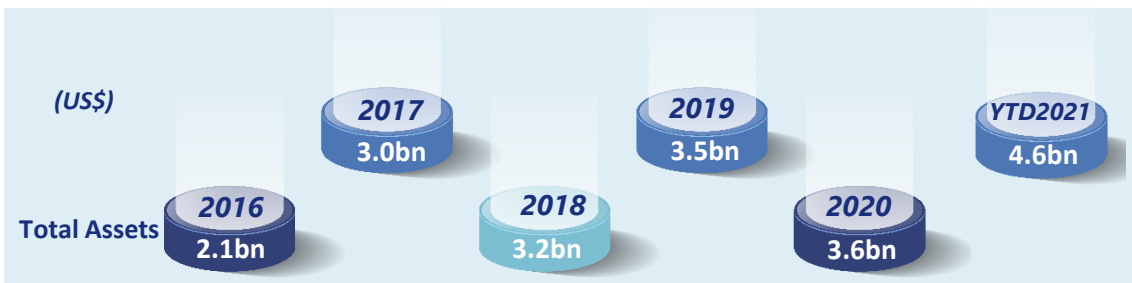
## Stable and Robust Financials Supported by Credit Strengths

- **Integration** from upstream cracker to downstream polyolefin products
  - Strategically located near key customers
- **Low production cost** base and **operating efficiencies**
  - Benefit from scale of feedstock sourcing and stable supplier relationships
  - Naphtha cracker utilization rate >90% in average
- **Long-standing relationships** with diverse customer base
  - No single customer accounts for more than 7-8% of consolidated revenue
  - Around 70-80% of products by revenue were sold to domestic market
- **Captive distribution network** provides significant cost efficiencies
  - Key customers integrated with CAP production facilities via CAP’s pipelines
  - Provides significant cost efficiencies to key customers
- **New projects fueling strategic growth**
  - Other efficiency improvements to complete integration of existing complex.
  - CAP 2 plan remains fully unchanged, and the pace will be subject to the stage-gated approach we have consistently adopted to ensure prudent and effective deployment of capital, underpinned by a strong equity base.

## Chandra Asri’s Main Integrated Manufacturing Complex



# 29-year Track Record of Successful Growth



### 1992-2010

**1992**

- Commercial production of 160KTA Polypropylene plant

**1993**

- Increased capacity of Polypropylene plant to 240KTA

**1995**

- Increased capacity of Polypropylene plant to 360KTA

**2009**

- Increased capacity of Polypropylene plant to 480KTA

### 1992-2010

**1995**

- Commercial production of CAP's 520KTA Cracker

**2004**

- Initial selling of Mixed C4

**2007**

- Addition of Naptha Cracker furnace, increased capacity to Ethylene 600KTA, Propylene 320KTA, Py-Gas 280KTA, and Mixed C4 220KTA

**2010**

- Acquisition of 100% SMI shares
- Inaugural issuance of 5-year USD230m bond

## CAP

### 2011-2015

**2011**

- Merger of CAP and TPI effective from 1 Jan 2011
- Completed De-bottlenecking of Polypropylene plant to 480KTA
- SCG Chemicals acquired 23% of the Company's shares from Appleton Investments Limited

**2013**

- Strategic partnership with Michelin to establish PT Synthetic Rubber Indonesia
- Butadiene plant of 100KTA commercially operated
- Rights Issue I ca. USD127.9m

**2015**

- Completed Cracker expansion project to 860KTA in Dec 2015

### 2016

**2016**

- Inaugural IDR Bond issuance of IDR500b

### 2017

**2017**

- Rights Issue II ca. USD377m
- Issuance of USD300m 7NC4 Bond
- Issuance of Shelf Bond I Phase I-2017 of IDR500b

### 2018

**2018**

- Issuance of Shelf Bond I Phase II-2018 of IDR500b
- Debottleneck of Butadiene plant to 137KTA
- New 120KTA Synthetic Rubber plant on-stream (JV with Michelin)
- Issuance of Shelf Bond II Phase I-2018 of IDR500b
- Obtained export credit facility from JBIC and BNP Paribas

### 2019

**2019**

- Moody's affirms rating at Ba3 (stable)
- Issuance of Shelf Bond II Phase II-2019 of IDR750b
- Obtained tax holiday for new Polyethylene plant
- Ethylene plant increased to 900KTA post furnace revamp; debottleneck of Polypropylene plant to 590KTA
- New 400KTA Polyethylene plant, on-stream and officiated by the Indonesian President
- Obtained tax holiday for CAP2

### 2020

**2020**

- Issuance of Shelf Bond II Phase III-2020 of IDR750b
- Signed Permata Bank Term Loan Facility of USD70m
- Fitch affirms rating at BB- (stable)
- Pefindo affirms rating at idAA-
- DBS Bank extends trade financing and RCF of USD195m
- Partnership with Siemens and Bentley Systems to develop first petrochemical complex digital twin
- Full prepayment of remaining USD125m of Term Loan Facility of USD199.8m

### 2021

**2021**

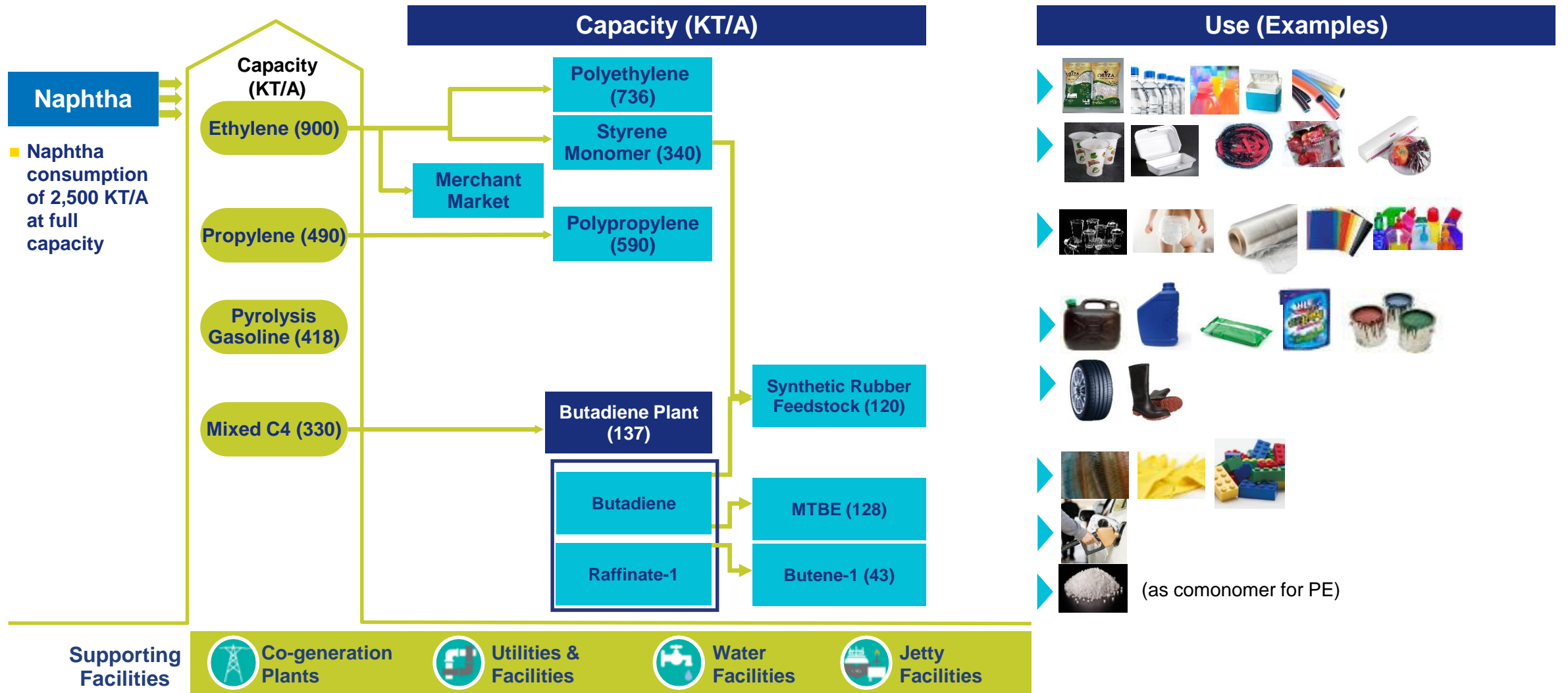
- Rights Issue III ca. USD1.1b
- Issuance of Shelf Bond III Phase III-2021 of IDR1t
- Entry of Thai Oil as a strategic investor for CAP2 project
- USD60m Structured Trade Facility from DBS Bank
- USD13m Green Loan from Hana Bank
- Signed IDR5t Eq. Term Loan and Account Receivable Financing facilities from Bank Mandiri
- Issuance of Shelf Bond III Phase I-2020 of IDR1t
- New 128KTA MTBE & 43KTA Butene-1 plant commenced operations
- Enclosed Ground Flare commenced operations to reduce environmental & social impact
- Issuance of Shelf Bond III Phase II-2020 of IDR600b
- Signed USD50m Eq. Trade and Revolving Credit Facility from Kasikornbank

TPI CA

Track record of achieving operational and structured growth

# Forward Looking Statements

Chandra Asri's products encompass a wide range across the consumer products value-chain, and its leading position & strategic location enhances its competitiveness



# Holistic Focus ESG Factors Across 4 Key Pillars

## Health

- Liquid oxygen aid for COVID-19 handling for hospitals in Banten & Jakarta area
- Holding several health events for both internal and external parties



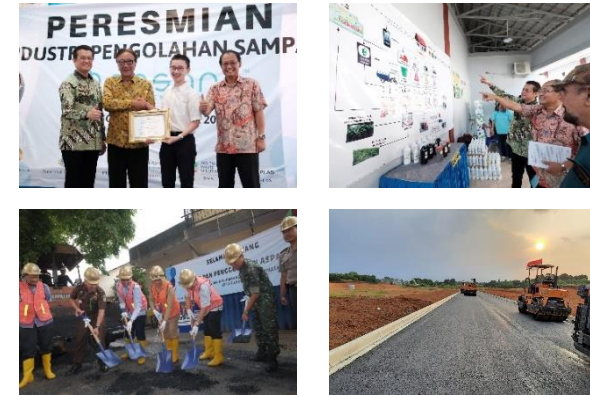
## Socioeconomic

- Building partnership to support Polymer material technology innovation
- Exploring opportunities for collaboration in the petrochemical sector



## Environment

- Working with local Government & partners in implementing plastic asphalt project
- Supporting community-based waste management industry



## Education

- Rebuilding a few inadequate schools
- Holding training programs for teachers

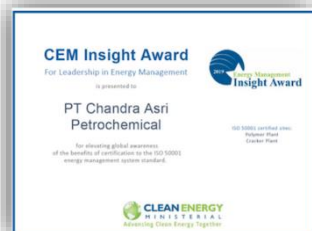


# Our Sustainability – Incorporating ESG

## Awards



Top CSR Awards 2021 from Top Business Magazine



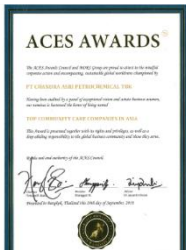
Leadership in Energy Management Clean Energy Ministerial (CEM) Insight Awardment



Gold & Platinum Award from Indonesia Responsible Care Award 2019



Gold Category in Indonesian Sustainable Development Goals Awards 2019



Top Community Care Companies in Asia



Gold Award from ICQCC Tokyo 2019



3 Stars Award from Award for Contributing to Excellence (ACE)



HR Excellence Awards 2019



OPEXCON 2019



PROPER Award 2019



PBB Taxpayer Award - P2 from City Government of Cilegon



Green Industry 2019

In Chandra Asri, sustainability is an inherent part of our business strategy. Along with the Company's growth, **Environmental, Social and Governance** aspects have become embedded in our operational activities and become our priorities.

## Certifications

- ISO 50001:2018 Energy Management System
- ISO 45001:2018 OHS Management System
- ISO 14001:2015 Environmental Management System
- ISO 9001:2015 Quality Management System
- SNI 0594:2011 Trilene Polypropylene Resin
- SNI 7808:2012 Asrene Polyethylene Resin
- Halal Assurance System
- SMK3 Audit
- Ecolabel
- RCI Verification
- KAN Testing Laboratory



# Persistent Focus on Sustainability – Incorporating ESG

Commitment and focus on Environmental, Social and Governance (ESG) principles



New Fleet of 53 Electrical Forklifts to mitigate 446T/Yr of CO2 emissions

The deployment of Green Chemistry will deliver continuous improvement in reducing Chandra Asri's environmental footprint



The 3,146 panels installed increases the solar power capacity by more than 50% - significantly increasing cost savings and reducing carbon footprint, est. 1,080 tons of CO<sup>2</sup> emissions per year. The capacity is 1,153 kWp and generates 1,500 MWh.



Enclosed Ground Flare does not discharge exhaust into the air, reduces noise, eliminates flame & smoke

- Reduce 92.2m gallons of water consumption
- Save 6m kilowatt hours of energy
- Mitigate 2,100 metric tonnes of CO<sub>2</sub>
- Lower waste-water production by 472,000 tonnes
- Cut down Nox exhaust gas by 75%

# ESG Leadership and Partnership (1 of 2)

Continued expansion of partnership with market leaders



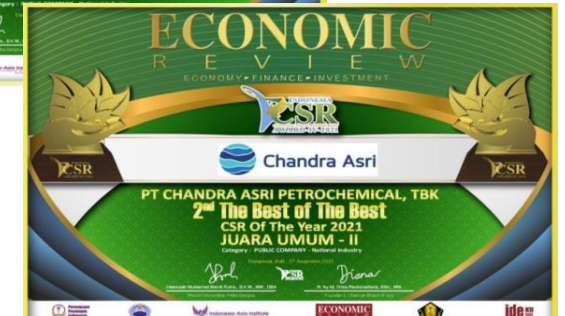
## TURNING PLASTIC WASTE INTO ASPHALT

- Utilizing 7.1 million pieces of plastic waste with Djarum rolling out asphalt with plastic waste in its mixture in Djarum factory area in Kudus, a total area of 39,000 m<sup>2</sup>.
- The involvement of private sector in supporting the Indonesian government in solving plastic waste problem is very important.



## TURNING PLASTIC WASTE INTO ASPHALT

- Utilizing 5.37 tons of plastic waste (~3.58m plastic bags) with Sinar Mas Land applying asphalt with a mixture of plastic waste in BSD City, a total area of 15,518 m<sup>2</sup>. It increases road durability by up to 40%.
- The initiative is part of Chandra Asri's "Plastic Asphalt for Beautiful Indonesia" program implemented since 2018.



## WINNING ICSR AWARDS

### ICSR IV 2021 Awards

- 2<sup>nd</sup> The Best of The Best – CSR of The Year 2021 Category: Industry Non-Finance Public Company
- 2<sup>nd</sup> The Best CSR of The Year 2021 Category: Public Company for Industry

# ESG Leadership and Partnership (2 of 2)

Awards recognizes Chandra Asri's ESG efforts are on the right track



## WINNING SUBROTO ENERGY EFFICIENCY AWARD 2021

“Energy Saving in Coal Boiler Operations with Innovations in Economizer & Air Preheater and Optimization of Coal Procurement with an Acceptance Ratio of 70% Fine and 30% Nut”.

Subroto Award is the highest in the energy and mineral resources sector given to stakeholders who have performed the best.



## WINNING ISDA AWARD 2021

Indonesia Sustainable Development Goals (ISDA) Award 2021, a recognition of Chandra Asri's continuous contributions in social, environment, health and nature conservation.

- The Most Committed Corporate for SDGs on Environment
- Platinum Category
- Gold Category
- Silver Category



Chandra Asri

1 Company Profile

**2 INVESTMENT HIGHLIGHTS**

3 Financial Overview



# Key Investment Highlights

**1** Well-positioned to benefit from attractive Indonesian growth fundamentals

**2** Indonesia's leading petrochemical producer with a diverse product portfolio

**3** Diversified customer base and strategically located to supply key customers



**Chandra Asri**

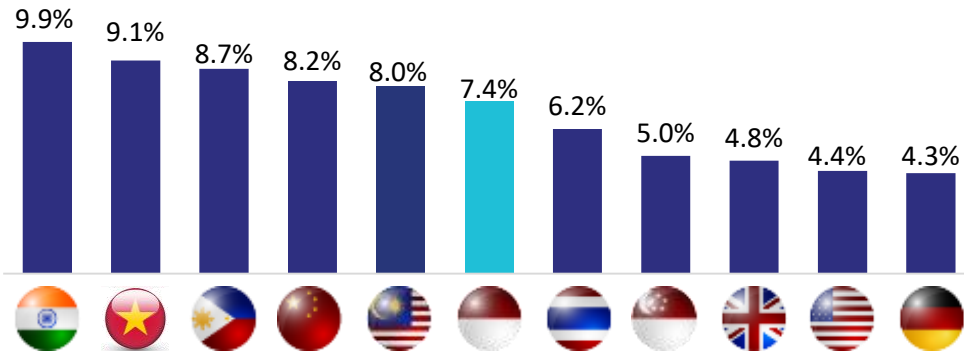
**4** Diverse and secured sources of feedstock and raw materials

**5** Strong Shareholders support

**6** Highly experienced Management team with proven track record of delivering Growth

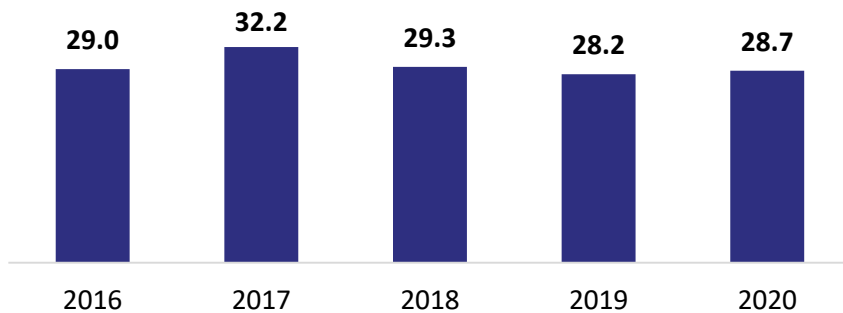
# Well-Positioned to Benefit from Attractive Indonesian Macroeconomic Growth and Consumption Trends

GDP Growth CAGR (2020 – 2025F)<sup>(1)</sup>



Foreign Direct Investment in Indonesia (2016-2020)

(USDbn)

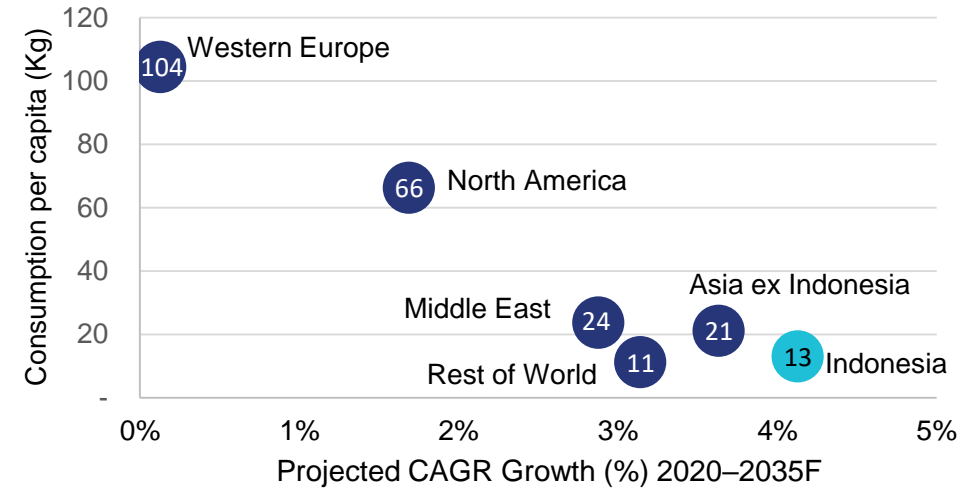


Source: Nexant, IMF, BKPM, Worldometers, Worldpopulationreview

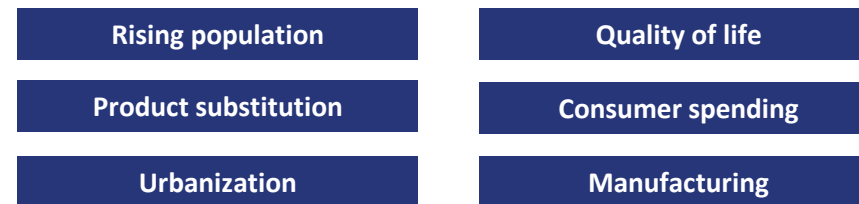
Note:

- GDP, current prices; IMF *World Economic Outlook, October 2020*
- Polyolefins include HDPE, LLDPE, LDPE and PP

Polyolefin Consumption per Capita (Kg)<sup>(2)</sup>



**Domestic Trends**



# Strong Demand Growth for Petrochemical Products in Indonesia

## End Markets

### Polyethylene

- Plastic films
- Containers
- Bottles
- Plastic bags



### Polypropylene

- Packaging
- Films and sheets
- Fibers and filaments
- Toys
- Automotive parts



### Styrene Monomer

- Drinks cups
- Food containers
- Car interiors
- Helmet padding

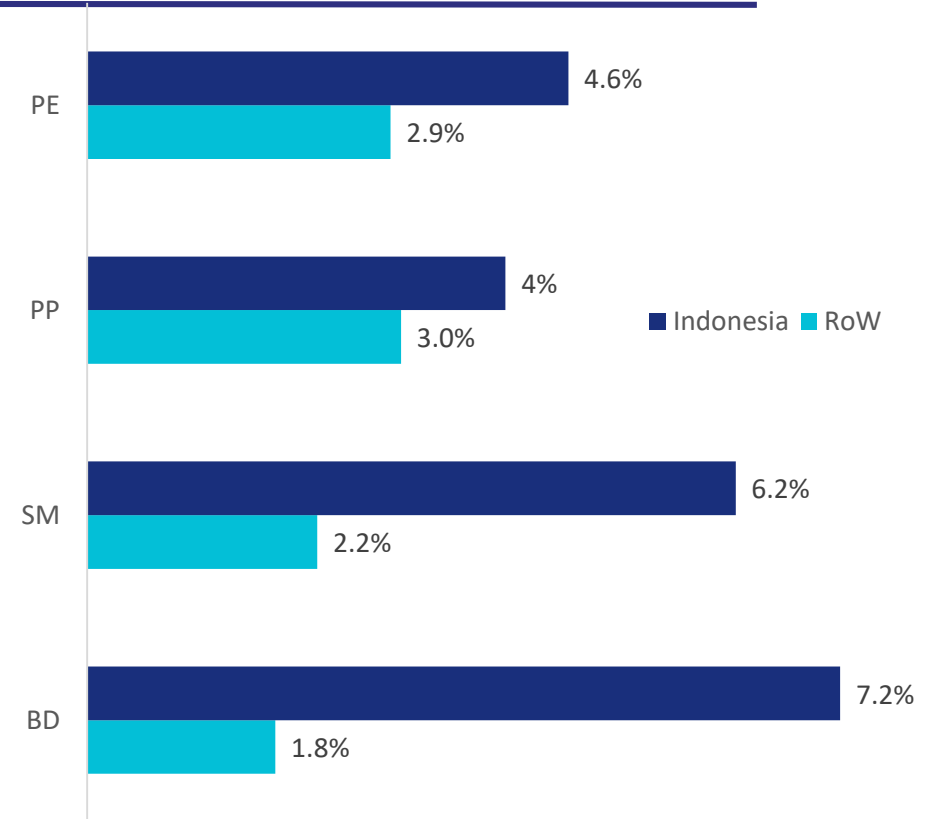


### Butadiene

- Vehicle tires
- Synthetic rubber
- Gloves and footwear










## Total Demand Growth (2020 – 2035F CAGR<sup>(1)</sup>)



Petrochemical products are fundamental to the production of a wide variety of consumer and industrial products, such as packaging, containers, automotive and construction materials

# Chandra Asri is the Largest Petrochemical Producer in Indonesia

Capacities of Petrochemical Producers in Indonesia (2020)

Capacity ('000 tons per year)	 Chandra Asri	 LOTTE CHEMICAL TITAN	 PERTAMINA	 Masplene® PT POLYTAMA PROPINDO	 ASC AGC Group PT Asahimas Chemical	 PT SULFINDO ADIUSAHA	 TPPI	Others	Total
Ethylene	900	-	-	-	-	-	-	-	900
Propylene	490	-	625	-	-	-	-	-	1,115
LLDPE	400	200	-	-	-	-	-	-	600
HDPE	336	250	-	-	-	-	-	-	586
Polypropylene	590	-	45	300	-	-	-	-	935
Ethylene Dichloride	-	-	-	-	760	380	-	-	1,140
Vinyl Chloride Monomer	-	-	-	-	875	130	-	-	1,005
Polyvinyl Chloride	-	-	-	-	550	110	-	202	862
Ethylene Oxide	-	-	-	-	-	-	-	240	240
Mono Ethylene Glycol	-	-	-	-	-	-	-	220	220
Acrylic Acid	-	-	-	-	-	-	-	140	140
Butanol	-	-	-	-	-	-	-	20	20
2-Ethylhexanol	-	-	-	-	-	-	-	140	140
Pygas	418	-	-	-	-	-	-	-	418
Crude C4	330	-	-	-	-	-	-	-	330
Butadiene	137	-	-	-	-	-	-	-	137
Benzene	-	-	100	-	-	-	207 <sup>1</sup>	-	307
Para-Xylene	-	-	270	-	-	-	500 <sup>1</sup>	-	770
Styrene	340	-	-	-	-	-	-	-	340
Synthetic Rubber	120	-	-	-	-	-	-	75	195
Methyl Tert-butyl Ether	128	-	-	-	-	-	-	-	128
Butene-1	43	-	-	-	-	-	-	-	43
<b>Total</b>	<b>4,232</b>	<b>450</b>	<b>1,040</b>	<b>300</b>	<b>2,185</b>	<b>620</b>	<b>707</b>	<b>1,037</b>	<b>10,571</b>

CAP offers the most diverse product range and is a dominant producer with market share of approximately 50%, 30%, and 32% of the domestic market (including imports) in olefin, polyethylene and polypropylene respectively

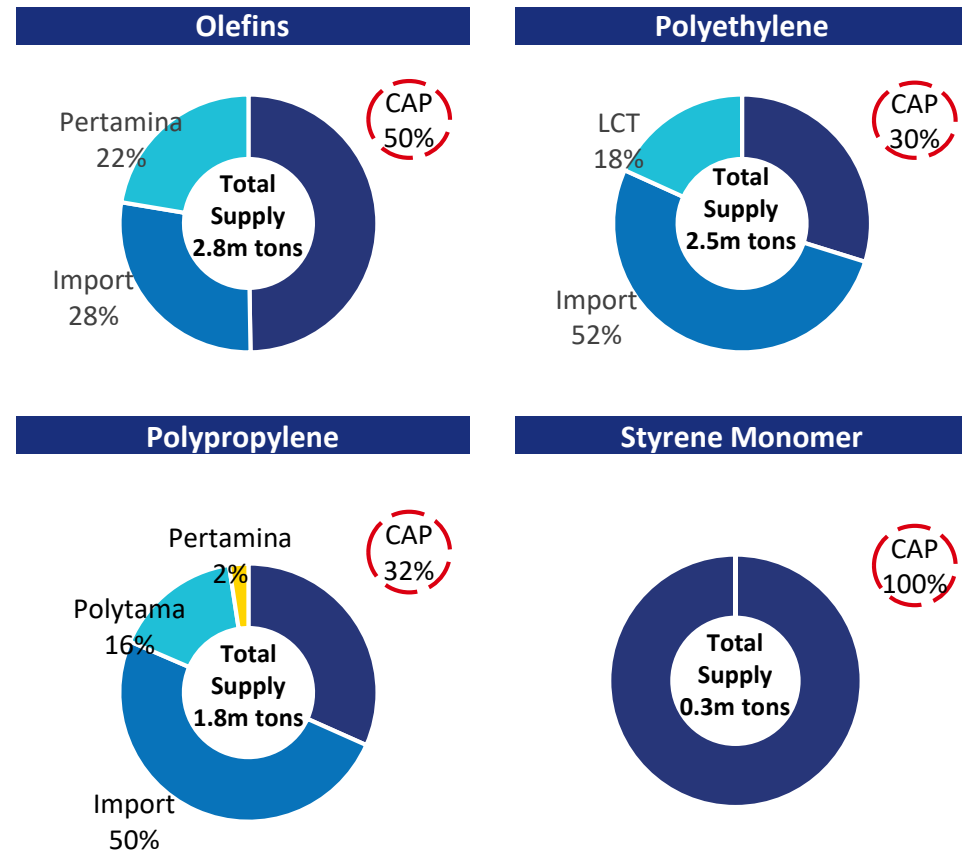
Source: Company, ICIS, Nexant



# Chandra Asri is the Country's Market Leader for its Product Portfolio

Chandra Asri is a market leader in Indonesia across all of its products, and a leading player in the region

## 1 Largest Petrochemical Company in Indonesia<sup>1</sup>



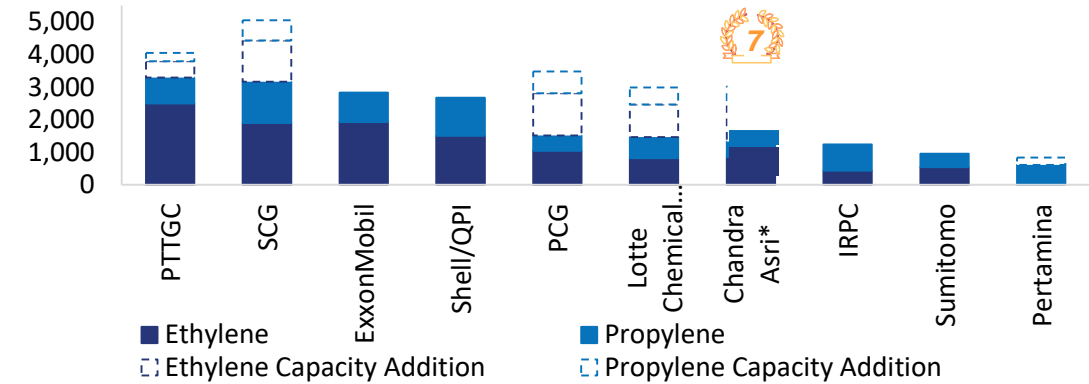
Source: Company, Nexant

Note:

1. By production excluding fertilizer producers and including imports
2. Chandra Asri capacity is inclusive of SCG's equity in Chandra Asri

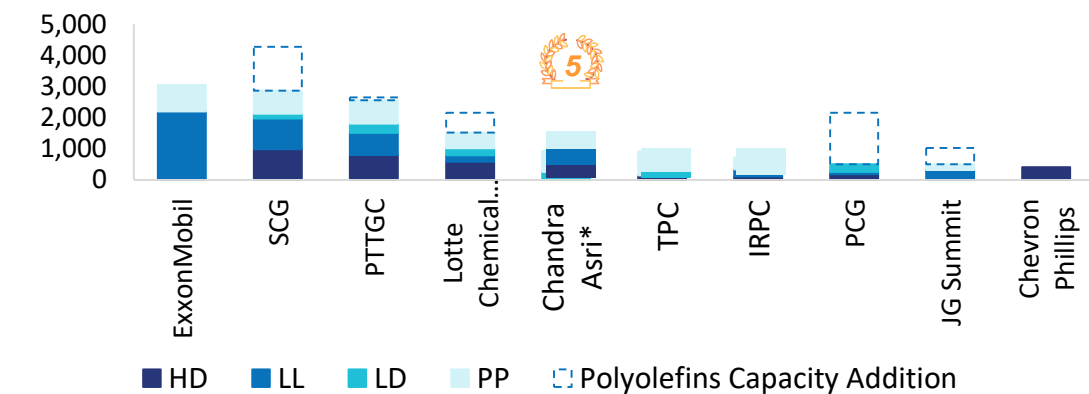
## Olefins Top 10 South East Asia Producers<sup>2</sup>

('000 tons per year)



## Polyolefin Top 10 South East Asia Producers<sup>2</sup>

('000 tons per year)



# Strong Brand with Diversified Client Base of Industry Leaders, Developed Over Many Years

## Sales & Marketing Strategy

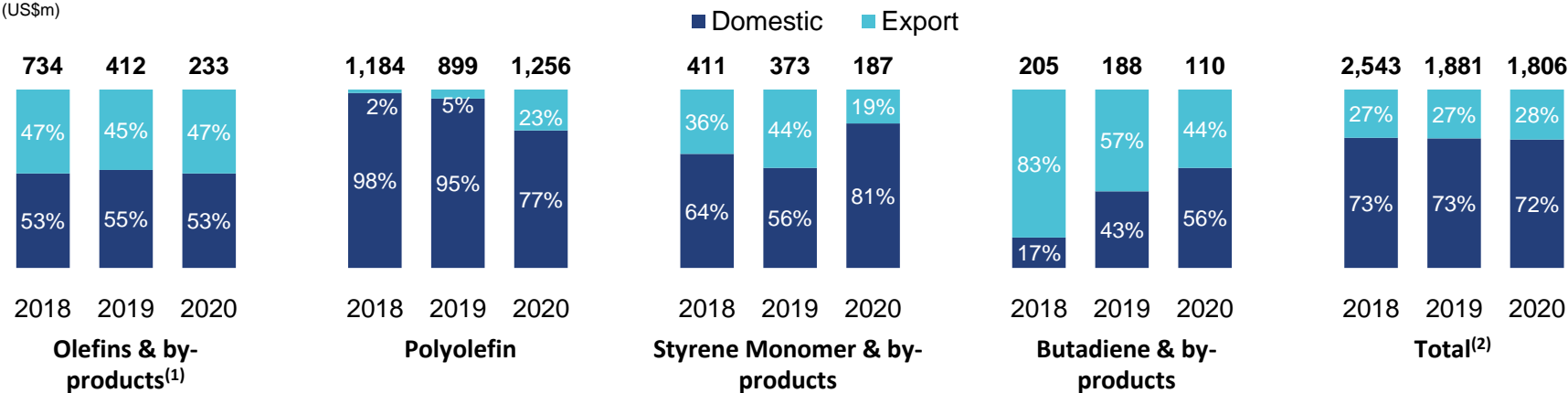
- Long term relationships with key customers
- Network of 300+ customers, with diversified clientele
  - Top 10 customers account for only 39.53% of revenues in 2020
- Trademarked brand names
  - “Asrene” for polyethylene products,
  - “Trilene” for polypropylene products,
  - “Grene” for resin products
- Strong marketing and distribution platform with nation-wide network
  - Short delivery times result in premium pricing over benchmarks
  - On ground technical support.

## Top 10 Customers (2020)

Customer	Product	% of Revenue	Customer Since	Location
Customer 1	Polyethylene, Polypropylene	7.84%	1995	Indonesia
Customer 2	Polyethylene, Polypropylene	5.85%	2015	Indonesia
Customer 3	Polyethylene, Polypropylene	4.88%	2019	China
Customer 4	Styrene Monomer, Butadiene	4.19%	2004	Indonesia
Customer 5	Polyethylene, Polypropylene	3.53%	1995	Indonesia
Customer 6	Py-Gas	3.26%	2011	Thailand
Customer 7	Styrene Monomer, Butadiene	2.96%	2018	Indonesia
Customer 8	Ethylene	2.61%	1995	Indonesia
Customer 9	Polyethylene, Polypropylene	2.34%	2016	Hong Kong
Customer 10	Polyethylene, Polypropylene	2.07%	2016	Indonesia
<b>Top 10 Customers % of Revenue</b>		<b>39.53%</b>		

## Sales Breakdown (2018 – 2020)

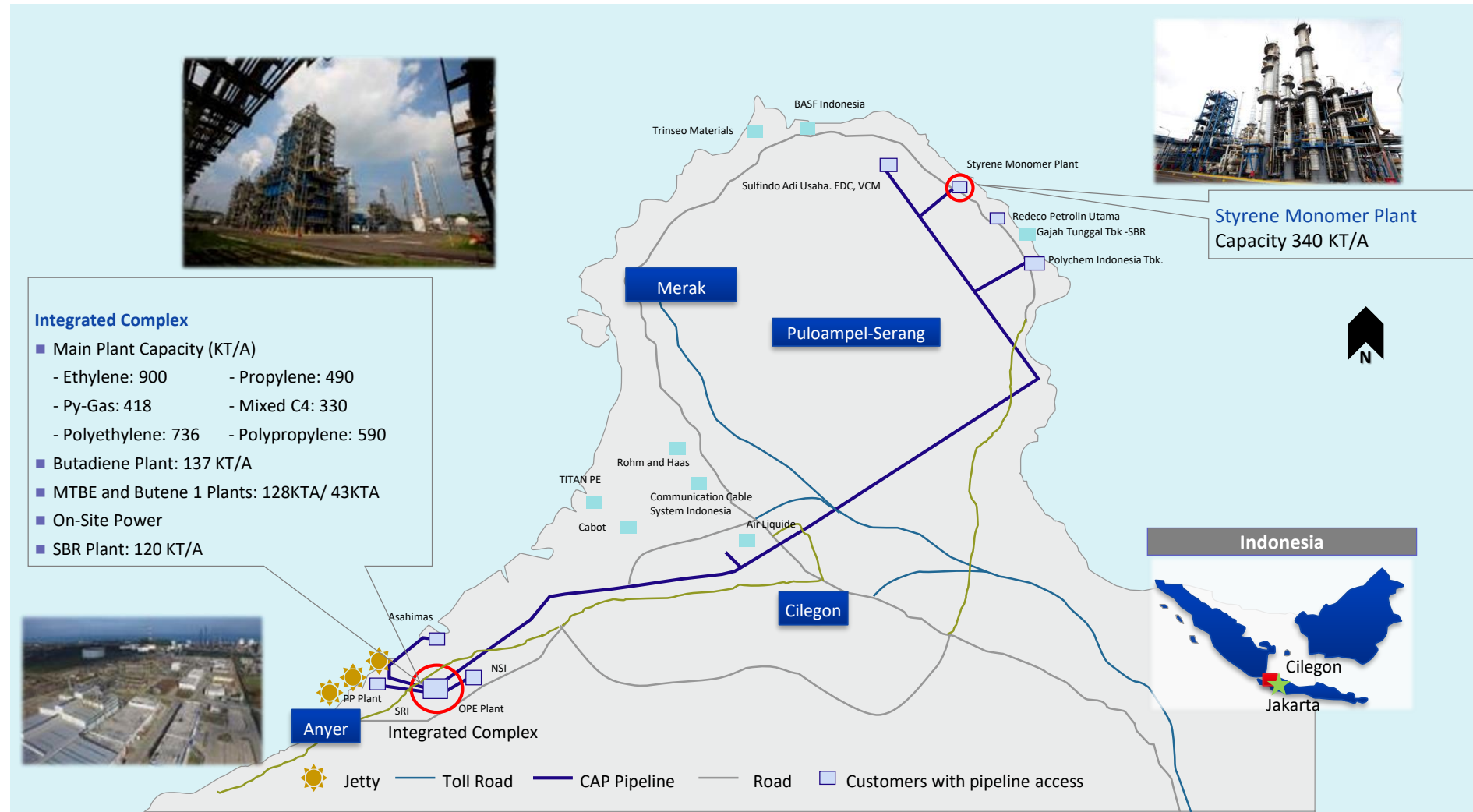
(US\$m)



- (1) Include Ethylene, Propylene, and by-products such as Py-Gas and Mixed C4  
 - **Propylene:** Majority used as feedstock for Polypropylene production internally  
 - **Mixed C4:** Majority used as feedstock for Butadiene production internally  
 - **Py-Gas:** Primarily sold to SCG
- (2) Include Tanks & Jetty Rent; 2020 also include B1-MTBE

# Strategically Located Key Customers, with Location Proximity & a Proprietary Pipeline

## CAP's Integrated Petrochemical Complexes

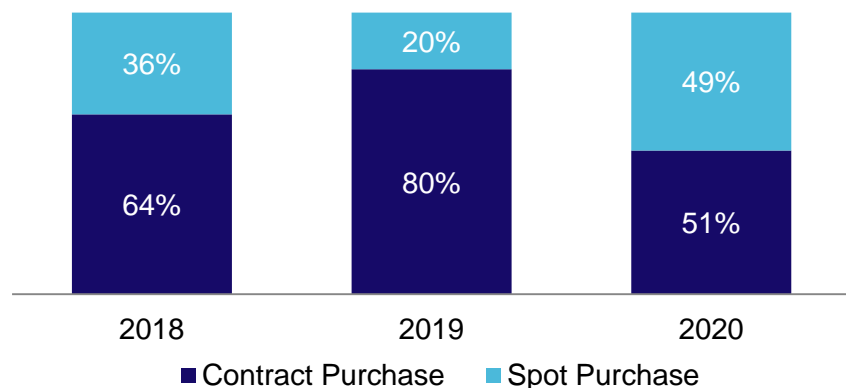


# Stable & Flexible Feedstock Supply from Long-Term International Suppliers

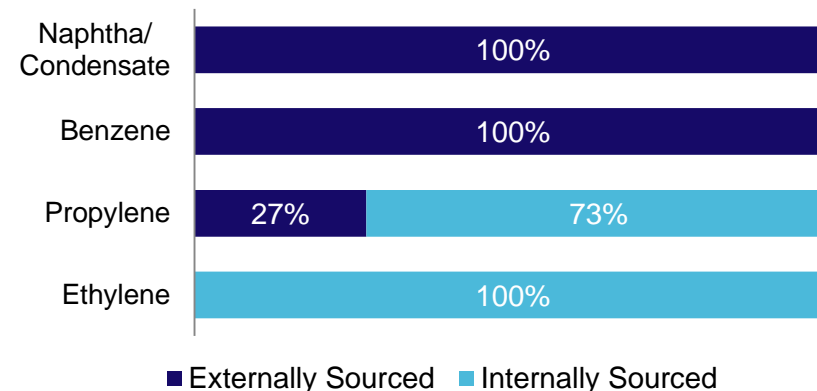
## Feedstock Procurement Overview

- Long-standing stable supplier relationships
- No material feedstock supply disruption historically
- Flexibility in feedstock purchasing (spot vs. contract)
  - Avoids single supplier dependence
  - 51% of naphtha under contract with major oil trading companies in 2020
- Procurement synergies with SCG
- Substantial naphtha storage capacity to support 27 days of operations

## Naphtha Supply (2018-2020)



## Main Raw Materials (2020)



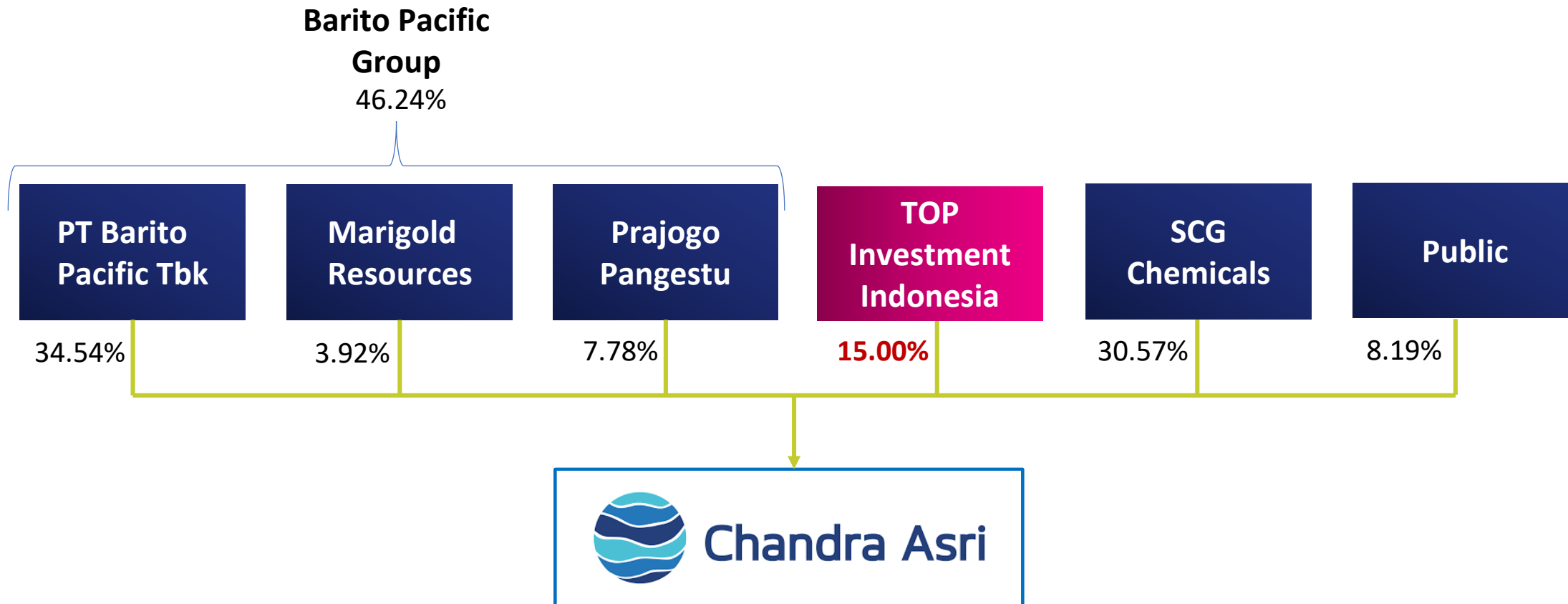
## Key Suppliers of Naphtha (2020)

Supplier	Million US\$	%
Saudi Aramco Product Trading Company	536.3	56.4
Marubeni Petroleum Co Ltd	235.5	24.8
Totsa Total Oil Trading S	42.2	4.4
Konsorsium PT. Titis Sampurna	34.8	3.7
Kuwait Petroleum Corporation	31.2	3.3
Shell MDS (Malaysia) Sendirian Berhad	25.5	2.7
Total Trading Asia Pte Ltd	22.0	2.3
Chevron U.S.A Inc. (Singapore Branch)	10.9	1.2
BP Singapore Pte. Ltd.	8.3	0.9
PT Surya Mandala Sakti	4.2	0.4
<b>Total</b>	<b>950.9</b>	<b>100.0%</b>

Win-Win Mindset, Reliability and Trustworthy Credit have Resulted in Long-standing Relationships

# Enhanced Strength with New Cornerstone Investor - Thairoil

Pre-emptive rights issue completed successfully in September 2021



Note: Group Structure September 2021. TOP refers to Thai Oil Public Company Limited.

# Strong Management Team with Substantial Industry Experience

## Board of Commissioners



**DJOKO SUYANTO**  
President  
Commissioner  
Independent  
Commissioner

5 years in Industry  
5 years with CAP



**TAN EK KIA**  
VP Commissioner  
Independent  
Commissioner

47 years in Industry  
9 years with CAP



**HO HON CHEONG**  
Commissioner,  
Independent  
Commissioner

5 years in Industry  
5 years with CAP



**AGUS SALIM  
PANGESTU**  
Commissioner

14 years in Industry  
14 years with CAP



**LIM CHONG THIAN**  
Commissioner

40 years in Industry  
15 years with CAP



**THAMMASAK  
SETHAUDOM<sup>(1)</sup>**  
Commissioner

29 years in Industry  
2 years with CAP



**TANAWONG  
AREERATCHAKUL<sup>(1)</sup>**  
Commissioner

15 years in Industry  
2 years with CAP

## Board of Directors



**ERWIN CIPUTRA**  
President Director

16 years in Industry  
16 years with CAP



**CHATRI  
EAMSOBHANA<sup>(1)</sup>**  
VP Director of  
Operations

24 years in Industry  
2 years with CAP



**BARITONO  
PRAJOGO  
PANGESTU**  
VP Director of  
Polymer  
Commercial

15 years in Industry  
15 years with CAP



**ANDRE KHOR**  
Director of Finance

16 years in Industry  
3 years with CAP



**SOMKOUN  
SRIWATTAGAPHONG<sup>(1)</sup>**  
Director of  
Manufacturing

23 years in Industry  
2 years with CAP



**FRANSISKUS RULY  
ARYAWAN**  
Director of  
Monomer  
Commercial

18 years in Industry  
18 years with CAP

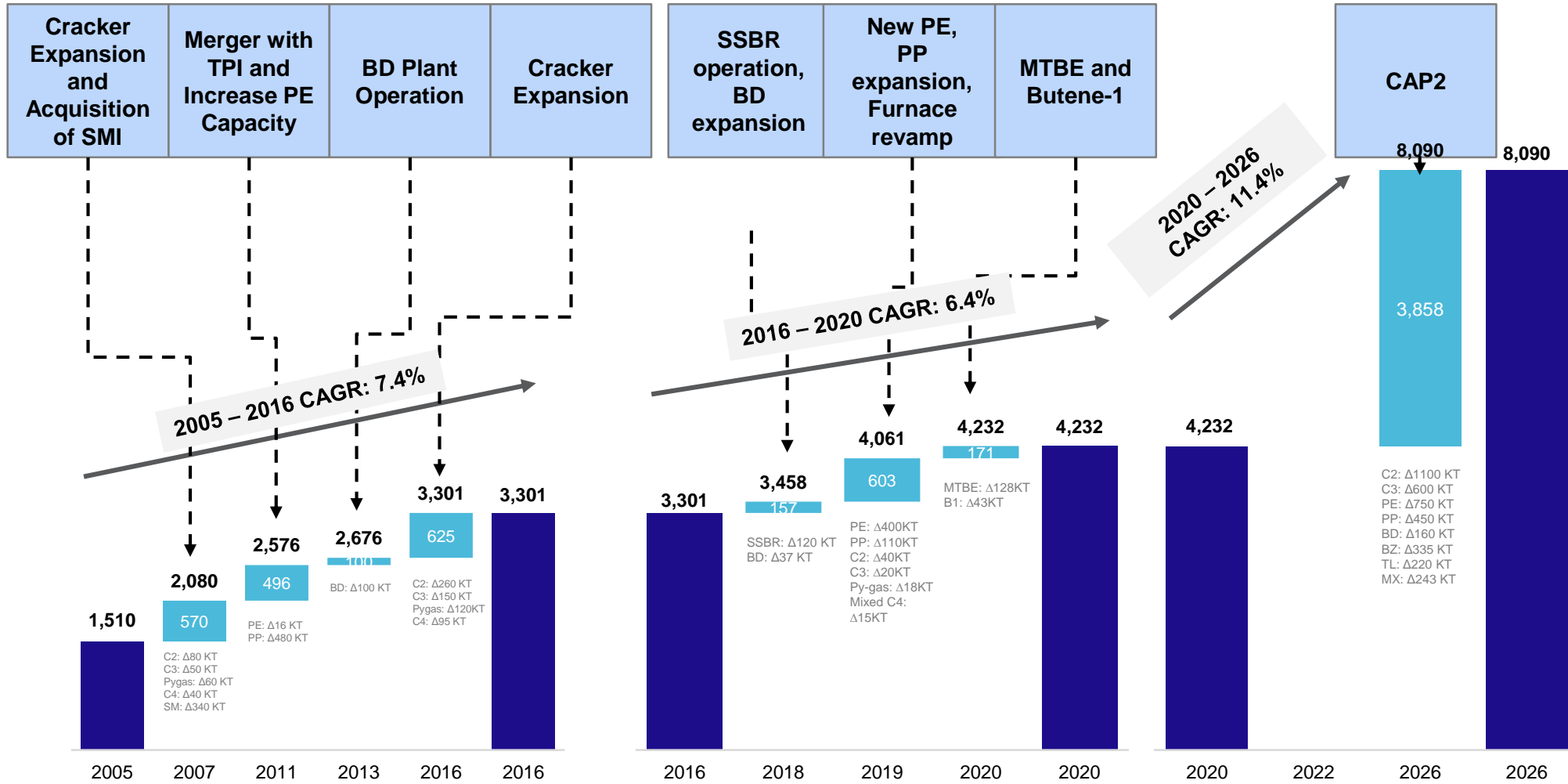


**SURYANDI**  
Director of Human  
Resource and Corp.  
Administration

30 years in Industry  
30 years with CAP

(1) Representative of SCG

# Solid Track Record of Delivering Sustainable and Profitable Growth



# Government Supports Exponential Growth

**President of Indonesia, HE Joko Widodo: “The development of Chandra Asri’s new plant is a concrete step that is needed by our country”  
- Jakarta Post, 7 December 2019**

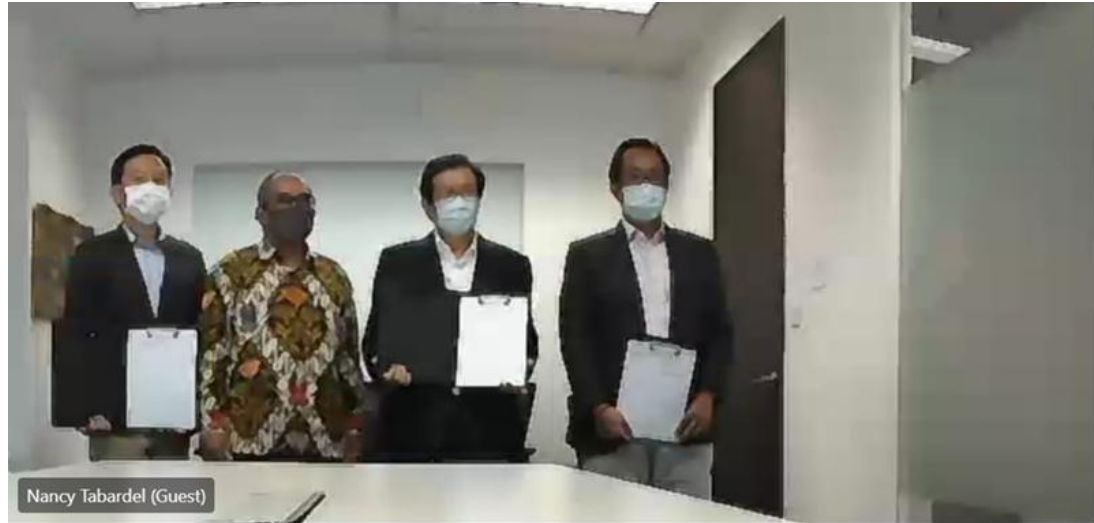
**Minister of Industry, HE Agus Gumiwang Kartasasmita: “We need to support the domestic petrochemical industry in Indonesia as it holds an important role to substitute imports. In addition, petrochemical companies such as Chandra Asri also attracts new investors which will bring positive impacts to the Indonesian economy” – IDN Financials, 7 Sep 2020**





# Strategic Investor Finalized

Thaioil selected as Strategic Investor after a Robust and Comprehensive Selection Process



**Signing Ceremony**  
Transaction documents to invest in PT Chandra Asri Petrochemical Tbk

**Signing Ceremony of Transaction Documents to Invest in CAP on 29 July 2021**

# Strategic Investor Selection Process Considerations

Win-Win-Win Strategic Alignment and Partnership Synergies



## CAP Strategic Alignment

- **Leading operator of petrochemical complex** in Indonesia
- Track record of **sustainable and profitable growth**
- Highly visible **growth opportunity from development of CAP2**
- **Sponsored by Barito Group**

## SCG Strategic Alignment

- **CAP's long-term partner**
- **Long track record and expertise in PetChem**
- Recent **experience in mega project** development, i.e. Longson PetChem project in Vietnam
- **Equity funding** for development of CAP2

## TOP Strategic Alignment

- **Long-term feedstock supply security**
- Expertise in **margin improvement program** and **operational excellence program**
- Recent **experience in mega project** development, i.e. Clean Fuel Project
- **Equity funding** for development of CAP2

## Partnership Synergies



Planning, development and construction of **CAP2**



**Feedstock supply by TOP** to enhance feedstock security for CAP



**Product distribution by TOP** to further expand CAP distribution network



**Knowledge / expertise transfer** between both organizations



**Future additional collaborations** between CAP, SCG Chemicals and TOP

### Notes:

(1) Long Son petrochemicals complex is an integrated petrochemical complex being constructed in Long Son Commune of Ba Ria-Vung Tau Province, Vietnam by SCG Chemicals.

(2) The Clean Fuel Project (CFP) is the increase in refining capacity by Thaioil at its Thaioil Refinery in Sriracha, Chonbur, Thailand.

# Broader and Deeper Bank Relationships

Closing Landmark Balloon Facilities with Tenors of 7-10 years



**Chandra Asri – Bank Central Asia Credit Facility Signing in September 2021 amounting IDR1.9t (US\$135m)**



**Chandra Asri – Bank Negara Indonesia Term Loan Facility Signing in October 2021 amounting US\$250m**

# Secure Feedstock Requirements

Signed MoU with Aramco Trading Company

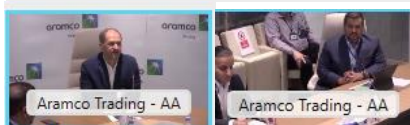
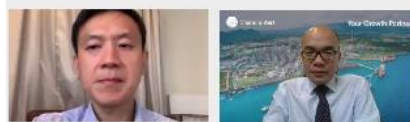
Aramco Trading Company to supply up to 85% of CAP 2 requirements for a long-term period



## Virtual MOU Signing

Chandra Asri and Aramco Trading Company  
Signing of Memorandum of Understanding to  
Secure Feedstock for Indonesia's Second  
Petrochemical Complex

October 12, 2021, Tuesday, 8:30AM



*"This collaboration highlights ATC's commitment to explore opportunities between our two businesses, as ATC expands its portfolio in the Indonesian market. We hope to strengthen our footprint in the Asian market where our volume of trading has remarkably increased over the years. Particularly, ATC seeks to explore Indonesia's vast potential as a rising economic powerhouse, with expanding refining capability and huge growth in the demand for energy products."*

**Ibrahim Albuainain, Chief Executive Officer of ATC**



- 1 Company Profile
- 2 Investment Highlights
- 3 FINANCIAL OVERVIEW**



# Prudent Financial Policies

## Foreign Exchange

- Maintain natural economic hedge as underlying sales and majority of costs and borrowings are denominated in US\$
- Treasury risk management on Rupiah currency risks:
  - Sales are hedged via pricing to customers and forward swaps with reputable banks
  - Minimum Rupiah cash holdings of up to 10 – 15% of idle cash to meet operational needs

## Leverage

- Maximum total debt to capitalization less than 50% on sustainable basis

## Liquidity

- Seek to maintain minimum cash of US\$100m at all times

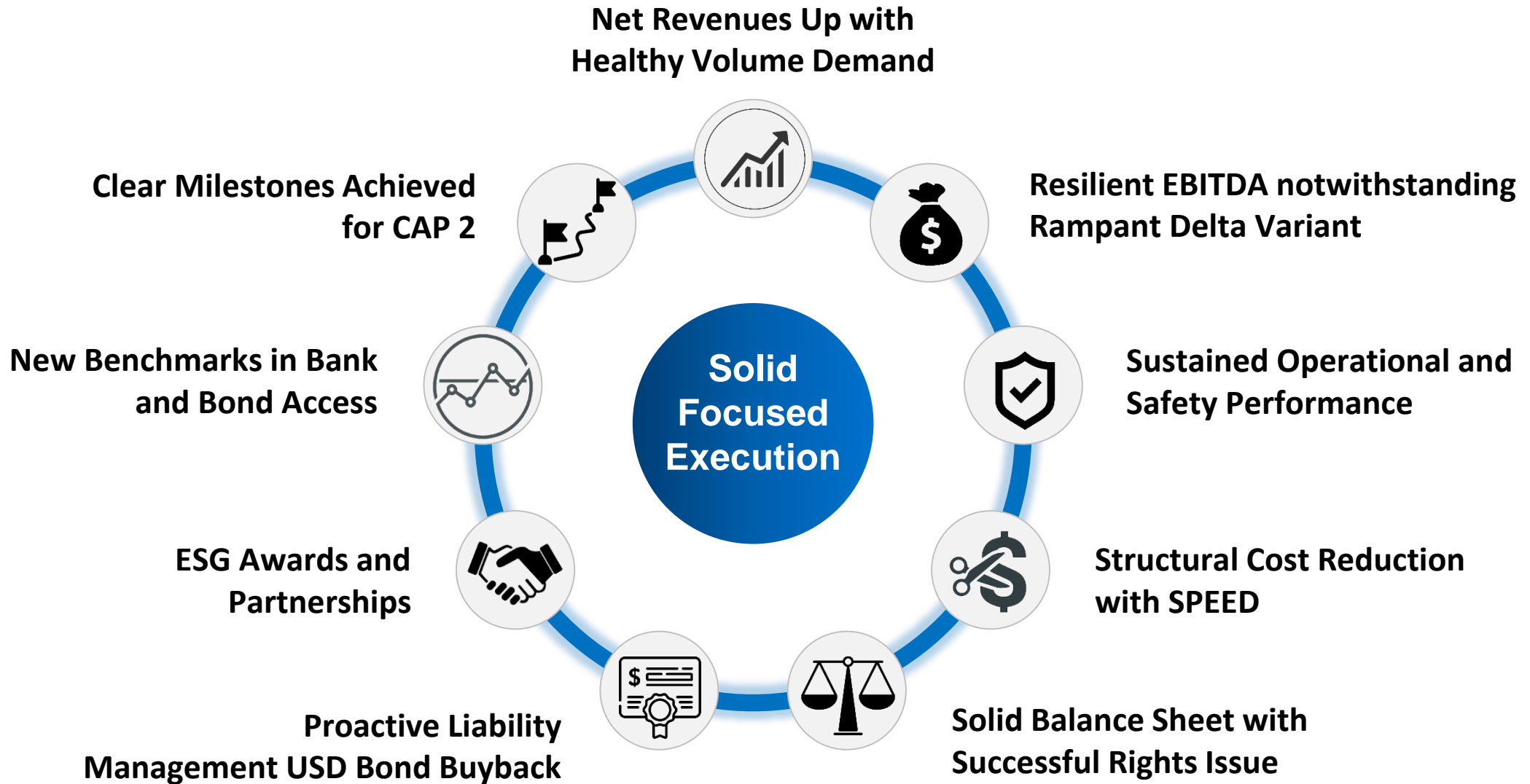
## Return on Capital

- Seek minimum 10% IRR for new investments with positive NPV

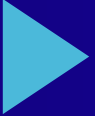







## Dividend Policy

- Payout approximately 40% of consolidated net profit subject to:
  - Liquidity, leverage and reserves
  - Financial performance / sustainability
  - Projected operational and capital expenditure

# Management Overview Q3 2021



# Financial Highlights

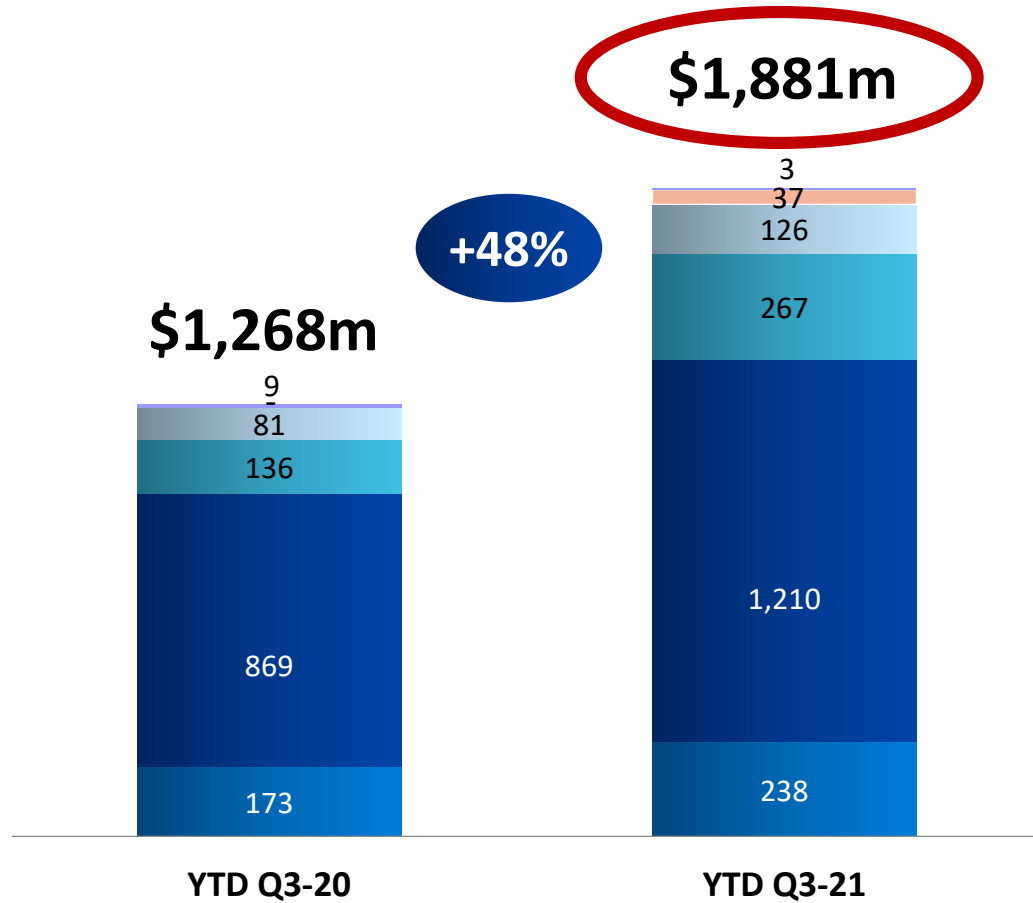
<b>US\$m</b> unless otherwise stated	<b>YTD Sep 20</b>		<b>YTD Sep 21</b>
<b>Revenue</b>	<b>\$1,268m</b>		<b>\$1,881m</b>
<b>EBITDA</b>	<b>\$66m</b>		<b>\$314m</b>
<b>Net Income</b>	<b>(\$19m)</b>		<b>\$166m</b>
<b>Liquidity Pool</b>	<b>\$797m</b>		<b>\$2,211m</b>
<b>EBITDA Margin (%)</b>	<b>5%</b>		<b>17%</b>
<b>Net Debt-to-EBITDA (times)</b> (rolling 12 months)	<b>3.7x</b>		<b>Net Cash</b>
<b>Net (Debt) / Cash</b>	<b>(\$320)</b>		<b>\$766m</b>



# Revenues

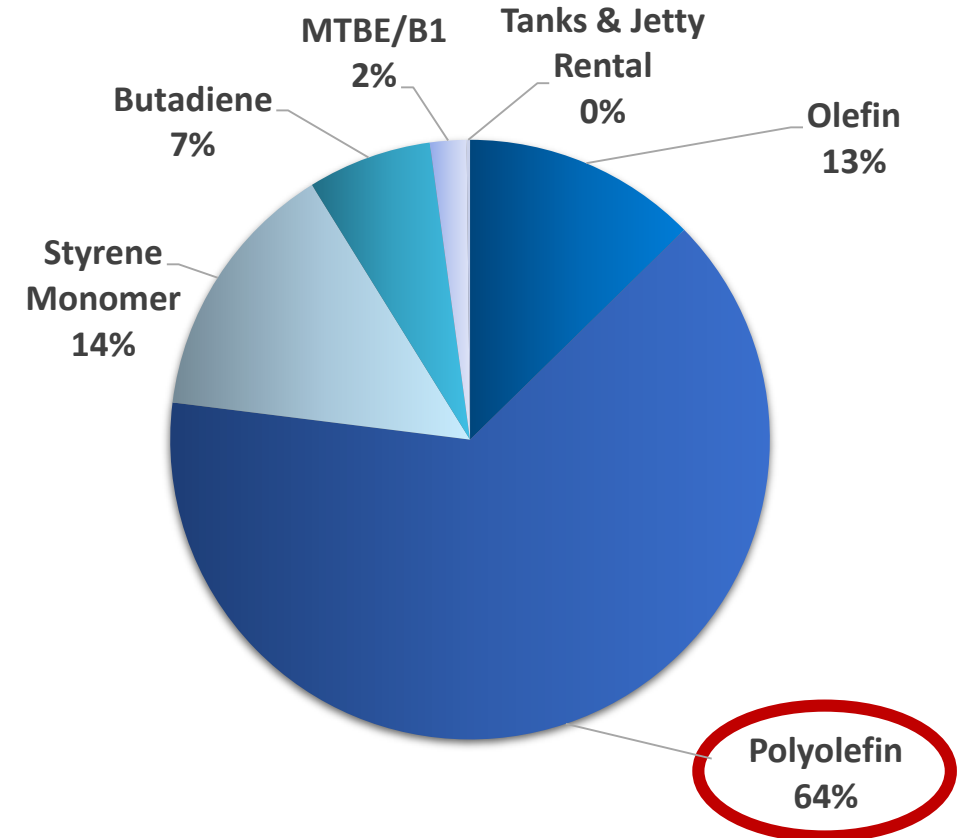
Higher revenue largely supported by stronger product prices especially for Polymers

Net Revenues (US\$m)



■ Tanks & Jetty Rental ■ MTBE ■ BD ■ SM ■ Polyolefin ■ Olefin

Net Revenues Split (%)

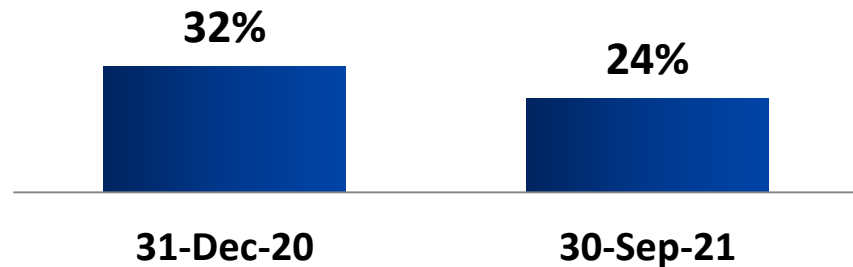


# Key Balance Sheet Highlights

Maintained financial resilience with strong liquidity and diverse financing sources

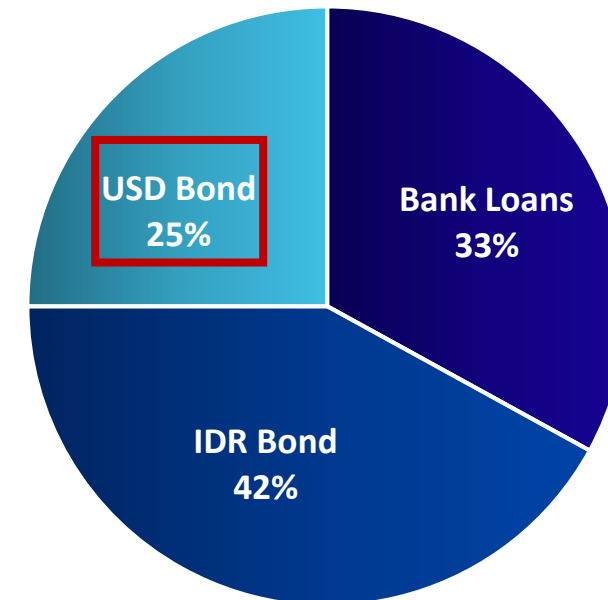
## Debt to Capital Employed (%)

Max 50%

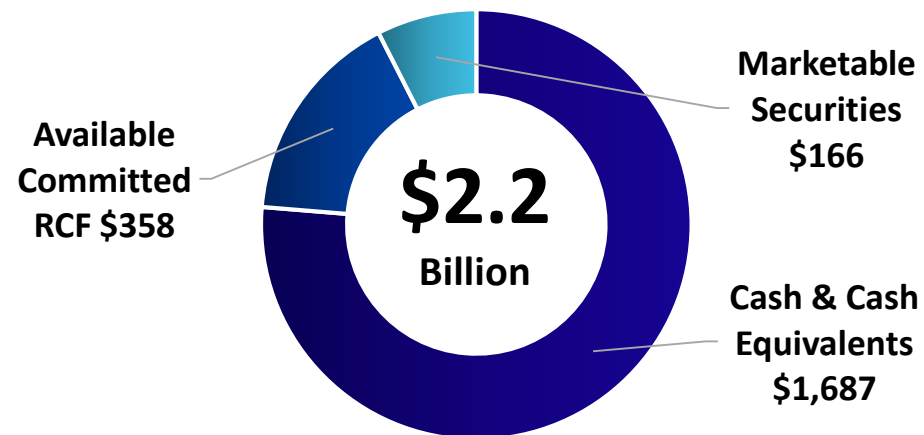


## Financing Sources (%)

As of 30 September 2021



## Total Liquidity Pool (US\$m)



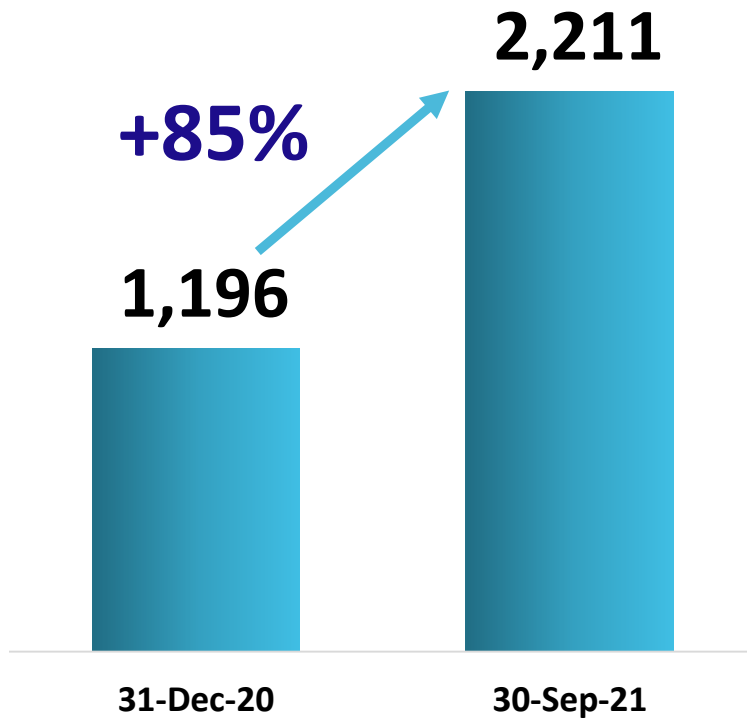
- Bank Loans from long term Partner Banks and Japan Bank for International Cooperation (JBIC)
- IDR Bond issuance is part of an ongoing Shelf Program rated at idAA- by Pefindo
- **USD Bond is a Reg S/144A issuance rated at BB-/Ba3. Will be called back in November 2021 in line with Proactive Liability Management.**

As of 30 September 2021

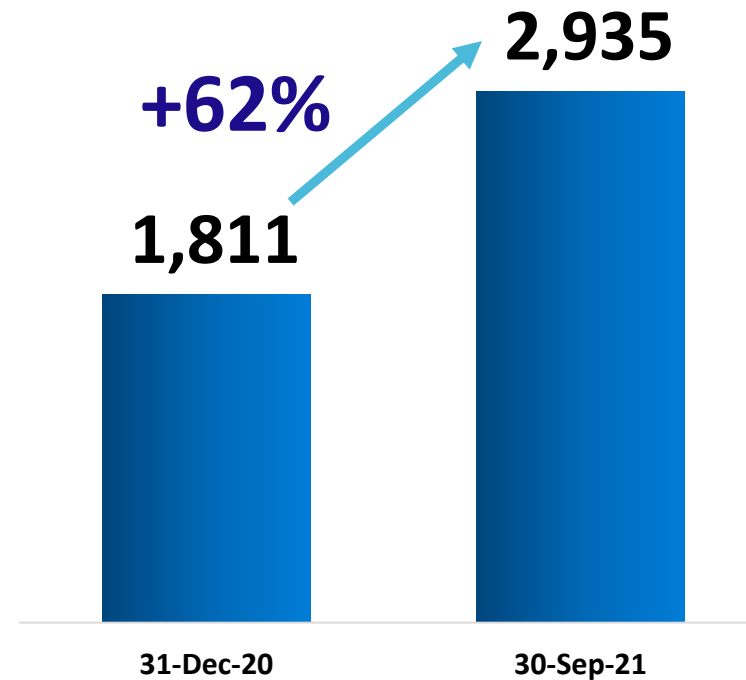
# Completion of Rights Issue

Established solid equity base with robust liquidity pool

## LIQUIDITY POOL US\$mIn



## TOTAL EQUITY US\$mIn



# IDR Bonds Highlight

Breakthrough Milestones in latest IDR bond issuance



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