



PT Chandra Asri Petrochemical Tbk

Macquarie Indonesia Day: A Once In A Decade Opportunity

April 21st, 2022

Company
Presentation



Forward-Looking Statement

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.



TABLE OF CONTENTS

- **Company Profile**
- **Investment Highlights**
- **Financial Overview**

A photograph of an industrial worker in a light blue uniform and white hard hat, wearing safety glasses and a high-visibility vest, operating a large valve in a complex industrial facility. The background is filled with large metal pipes, tanks, and structural elements. A semi-transparent white box with a blue underline is overlaid on the image, containing the text 'Company Profile'.

Company Profile

Chandra Asri: Indonesia's Leading and Preferred Petrochemical Company

Largest Integrated Petrochemical Producer in Indonesia

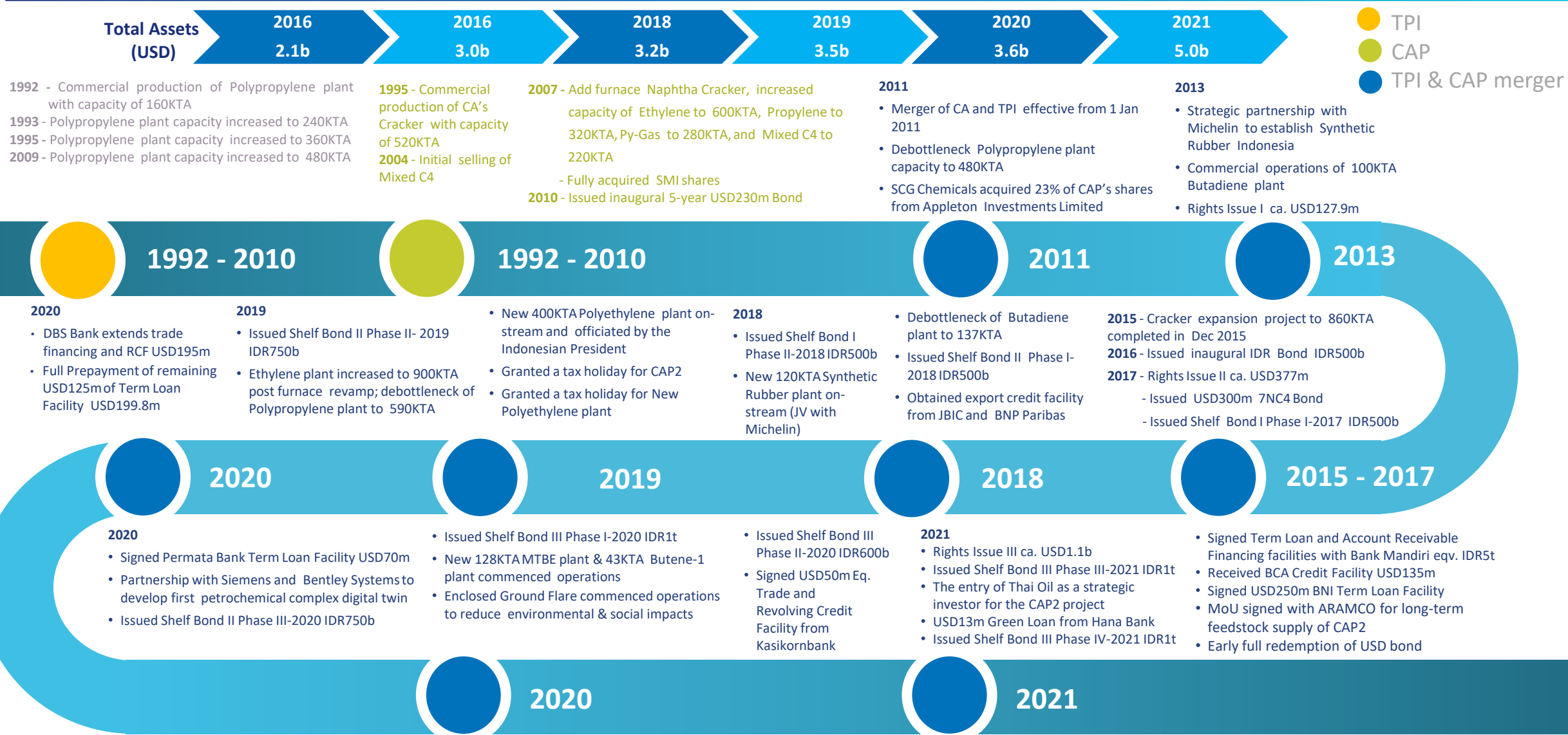
- 1** **Largest integrated petrochemical producer** in Indonesia and operates the country's only Naphtha Cracker, Styrene Monomer, Butadiene, MTBE and Butene-1 plants
- 2** **Market leadership** in highly attractive Indonesia and SE Asia petrochemical market
 - Market share of approximately 50%, 40%, and 32% of the domestic market (including imports) in Olefins, Polyethylene, and Polypropylene, respectively
- 3** **Support** from Barito Pacific Group, Siam Cement Group, and Thai Oil Group
- 4** **Vital National Object** status
- 5** **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
- 6** **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 Strength

- 1** **Integration** from upstream cracker to downstream polyolefin products
 - Strategically located near key customers
- 2** **Low production cost** base and **operating efficiencies**
 - Benefit from scale of feedstock sourcing and stable supplier relationships
 - Naphtha cracker utilization rate >90% in average
- 3** **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
- 4** **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
- 5** **New projects fueling strategic growth**
 - Continuous improvements on efficiency and asset integrity projects to enhance plant facility performance of existing complex.
 - CAP 2 project remains on-track with progress subject to the stage-gated framework we have consistently adopted to ensure prudent and effective deployment of capital, underpinned by a strong equity base

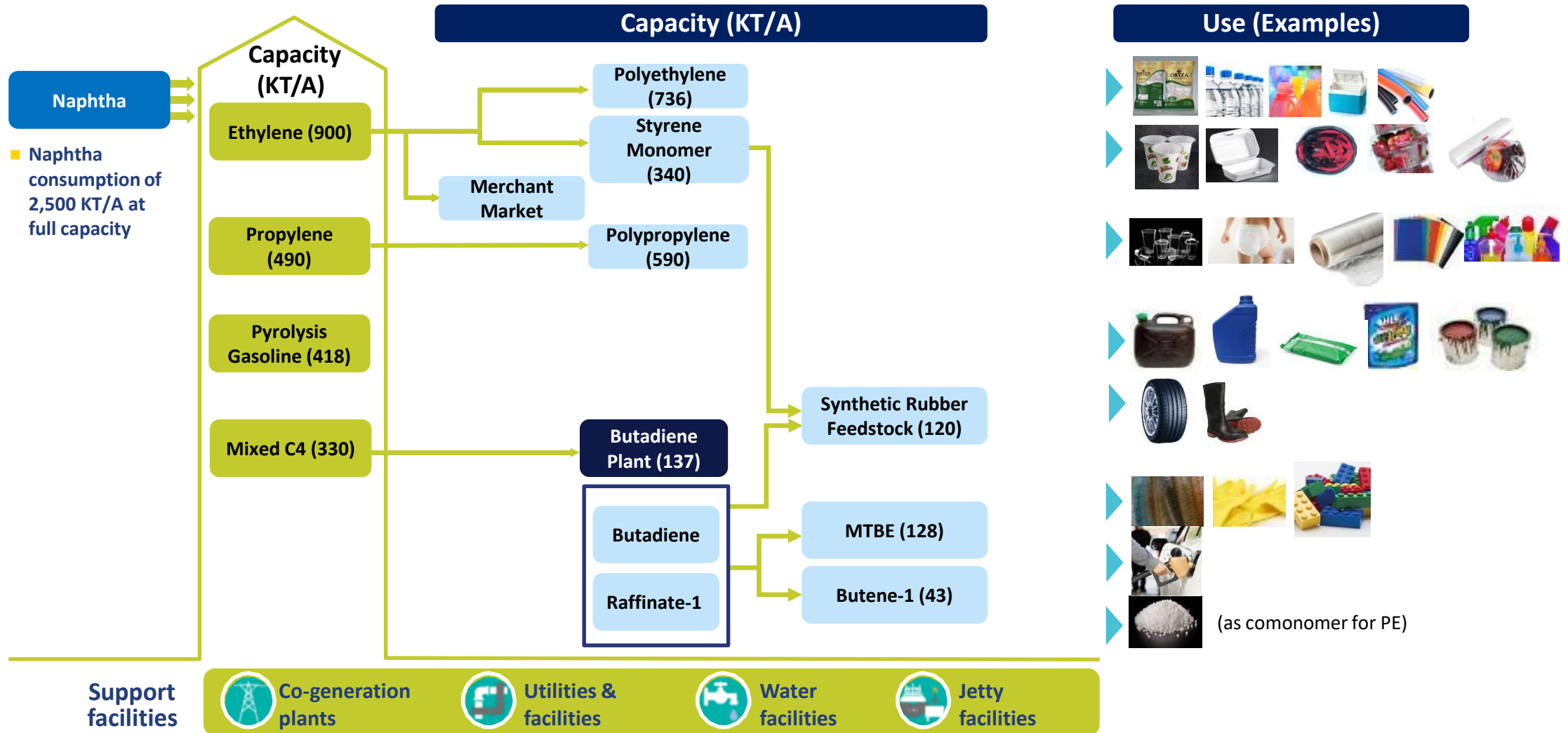


29-Year Track Record of Successful Growth



Integrated Production of Diverse Products

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



Our Sustainability – Incorporating ESG

Commitment and clear focus on Environmental, Social, and Governance Principles



New fleet of 53 Electrical Forklifts replacing diesel



4,800m² of Solar Panels reducing up to 644 tons per year of CO² emissions



Enclosed Ground Flare

EGF leaves no air discharge, reduces noise, eliminates heat & smoke



Application of 39,000 m² of plastic asphalt in Kudus, Central Java, with PT Djarum



Application of 15,518 m² of plastic asphalt in BSD City with PT Sinarmas Land



ECOLAB[®] Green Chemistry

The deployment of Green Chemistry has reduced CAP's environmental footprint and optimized costs

Reduce 92.2mln gallons of water consumption

Save 6mln kilowatt hours of energy

Mitigate 2,100 metric tons of CO²

Lower waste-water production by 472,000 tons

Cut down NO_x exhaust gas by 75%

Holistic Focus ESG Factors Across 4 Key Pillars

Commitment to give back to society

Health

- Distributing aid for the victims of natural disaster
- Holding several health events for both internal and external parties



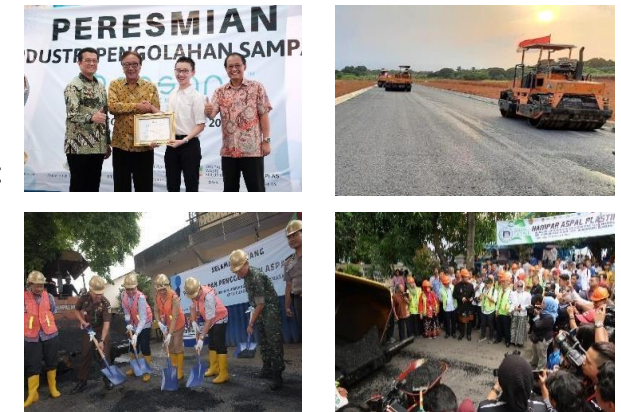
Economic

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



Social-Environment

- Working with local Government and market leaders in implementing plastic asphalt projects
- Supporting community-based waste management industry



Education

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



Awards & Certifications



INDI 4.0 Award for Digital Transformation Development



Gold and Bronze Achievement at OPEXCON 2021



Green PROPER Award 2021



Green Industry Award 2021 from Ministry of Industry

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 guiding principle.

Certification

- 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 10



Green Industry Award 2021 from Ministry of Industry



ICQCC 2021 from Quality Circle Forum of India



Global CSR Summit & Awards 2021 from The Pinnacle Group International



SNI Award 2021 from BSN



2021 Subroto Energy Efficiency Award by the Ministry of Energy and Mineral Resources



2nd The Best of The Best – CSR of The Year 2021 & 2nd The Best CSR of The Year 2021



Indonesian Sustainable Development Goals Awards 2021 from CFCD



Top CSR Awards 2021 from Top Business Magazine

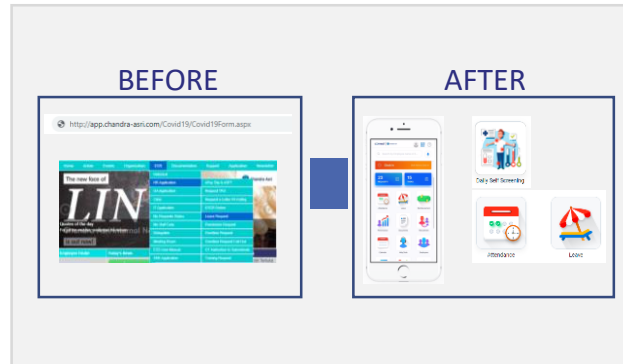
Digital Transformation Overview

Chandra Asri's digital transformation journey shown proven commitment towards innovation



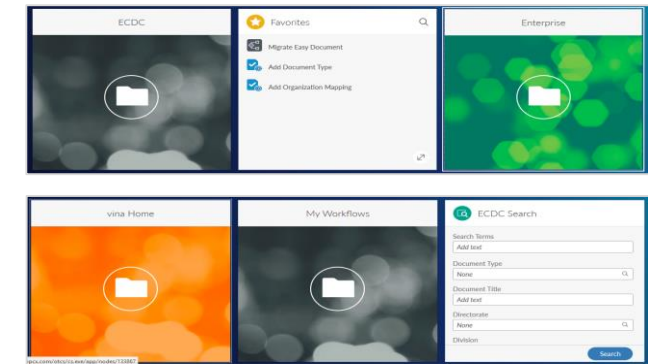
WINNING INDI 4.0 2021 AWARD

Won the Ministry of Industry's INDI (Indonesia Industry Readiness Index) 4.0 2021 Award – for the Aggressive Digitalization category.



HR DIGITALIZATION

All HR processes into one application (Darwinbox), can be easily accessed through mobile application anytime, anywhere. **Reducing number of HR employee doing administrative tasks by up to 20%.**



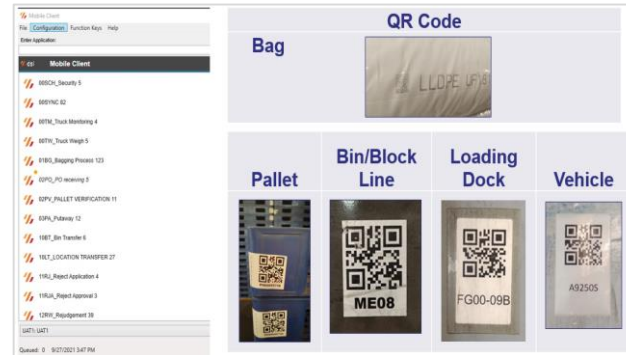
ENTERPRISE KNOWLEDGE MANAGEMENT

End-to-end digitalization to eliminate paper process with Enterprise Knowledge Management. **Saving 60% of paper usage per annum.**



DIGITAL TWIN SYSTEM

Implementation of first petrochemical digital twin system in Indonesia via Asset Information Management System partnering with Siemens and Bentley. **Up to 70% improvement in operational efficiency and up to 90% improvement in maintenance decisions.**



WAREHOUSE DIGITALIZATION

Implementing barcode scanners to fully automate warehouse supply chain. Improve and sustain product packaging quality, as well as product traceability. **Resulting in increased operational efficiency by 20% and up to 99% of time efficiency.**



BLOCKCHAIN TECHNOLOGY TRADE FINANCE

First digital Blockchain Technology Trade Finance Transaction in Indonesia with Permata Bank. **Completing transaction within 24 hours as compared to 10 days with the traditional paper-based method.**



Investment Highlights

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

Diverse and secured sources of feedstock and raw materials

4

Strong Shareholder support

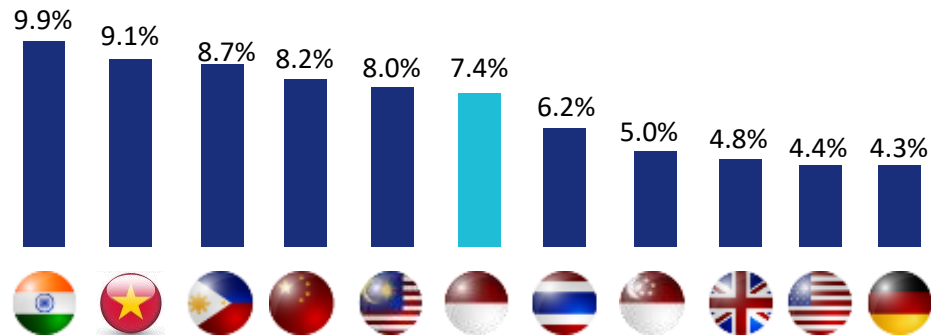
5

Highly experienced Management team with proven track record of delivering growth

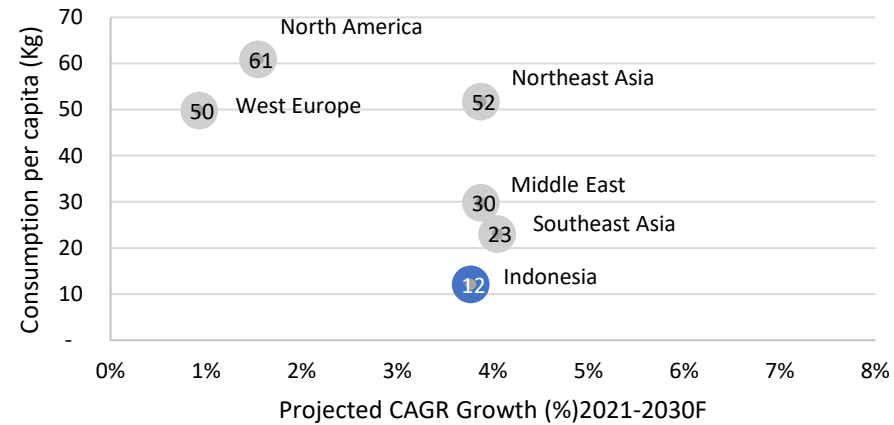
6

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

GDP Growth CAGR (2020-2025F)⁽¹⁾

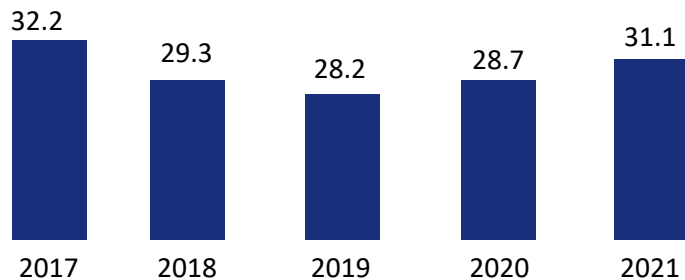


Polyethylene Consumption per Capita ⁽²⁾

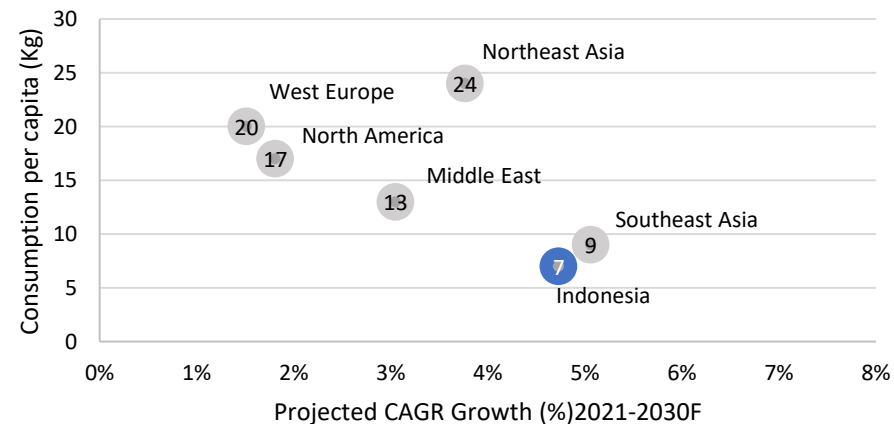


Foreign Direct Investment in Indonesia (2017-2021)

(USDb)



Polypropylene Consumption per Capita ⁽²⁾



Domestic Trends

- Rising Population
- Quality of Life
- Product Substitution
- Consumer Spending
- Urbanization
- Manufacturing

Source: Nexant, IMF, BKPM, Worldometers, Worldpopulationreview

Note:

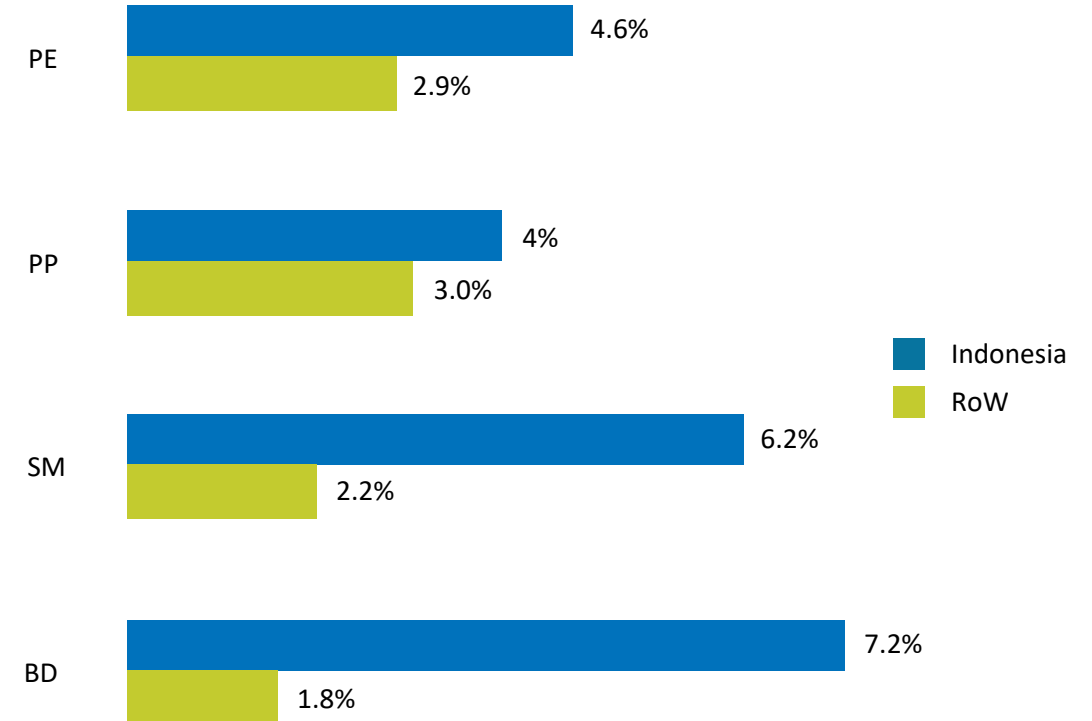
1. GDP, constant prices; IMF World Economic Outlook Database
2. Polyolefin include HDPE, LLDPE, LDPE and PP

Strong Demand Growth for Petrochemical Products in Indonesia

End Markets

Polyethylene	<ul style="list-style-type: none"> Plastic Films Containers Bottles Plastic Bags 	
Polypropylene	<ul style="list-style-type: none"> Packaging Films & Sheets Fibers & Filaments Toys Automotive Parts 	
Styrene Monomer	<ul style="list-style-type: none"> Drink Cups Food Containers Car Interiors Helmet Padding 	
Butadiene	<ul style="list-style-type: none"> Vehicle Tires Synthetic Rubber Gloves & Footwear 	








Total Demand Growth (2020 – 2035F CAGR)



Source: Nexant

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

Capacities of Petrochemical Producers in Indonesia

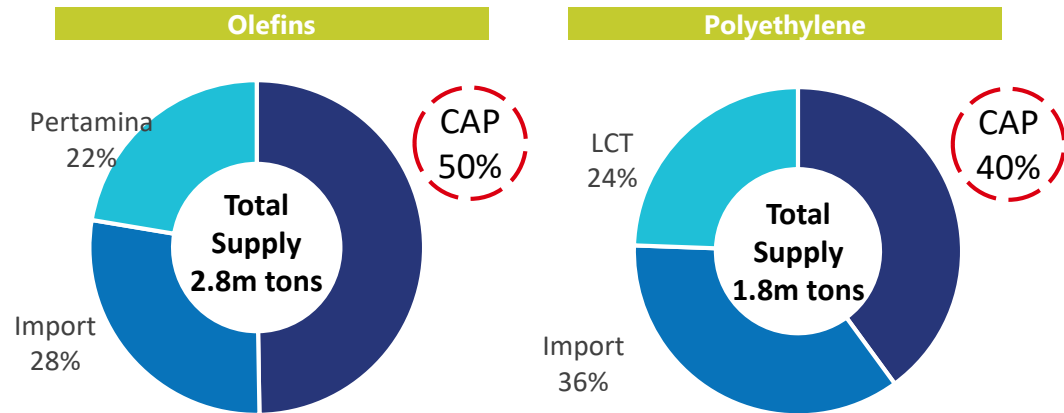
Capacity ('000 tons per year)	 Chandra Asri	 LOTTE CHEMICAL TITAN	 PERTAMINA	 Masplene [®] PT POLYTAMA PROPINDO	 ASC AGC Group PT Asahimas Chemical	 PT SULFINDO ADIUSAHA	 TPPI	Others	Total
Ethylene	900	-	-	-	-	-	-	-	900
Propylene	490	-	625	-	-	-	-	-	1,115
LLDPE	400	200	-	-	-	-	-	-	600
HDPE	336	250	-	-	-	-	-	-	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	-	307
Para-Xylene	-	-	270	-	-	-	500	-	770
Styrene	340	-	-	-	-	-	-	-	340
Synthetic Rubber	120	-	-	-	-	-	-	75	195
Methyl Tert-butyl Ether	128	-	-	-	-	-	-	-	128
Butene-1	43	-	-	-	-	-	-	-	43
Total	4,232	450	1,040	300	2,185	620	707	1,037	10,571

CAP offers the most diverse product range and is a dominant producer with market share of approximately 50%, 40%, and 32% of the domestic market (including imports) in olefins, polyethylene and polypropylene respectively

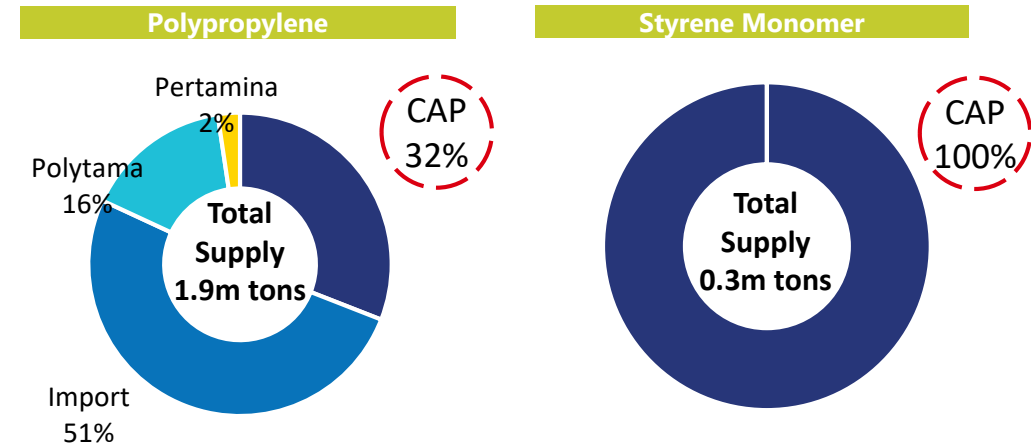
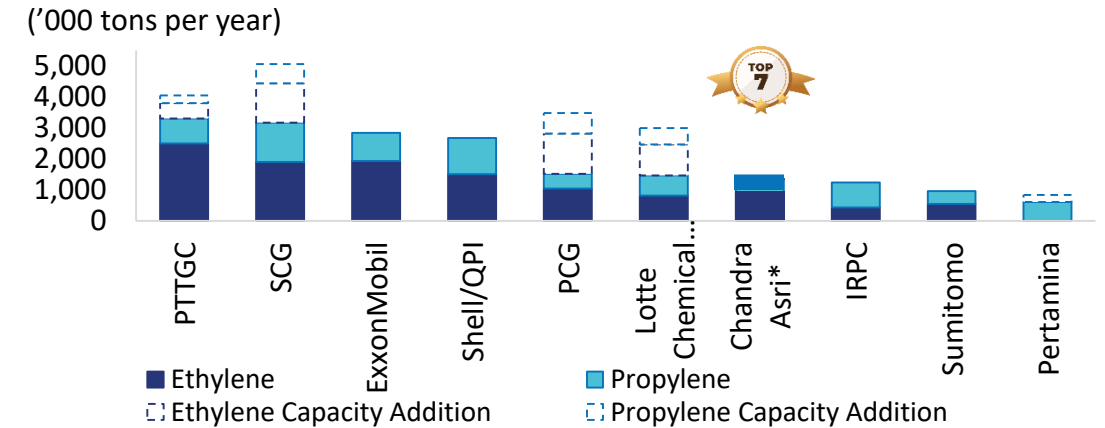
Source: Company, ICIS, Nexant

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

Largest Petrochemical Company in Indonesia¹



Olefins Top 10 South East Asia Producers²

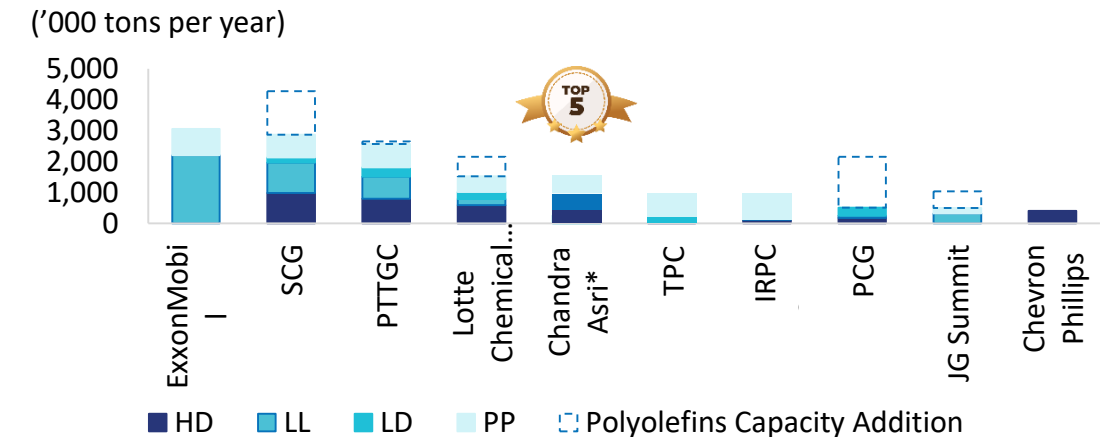


Source: Company, Nexant

Note:

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

Polyolefin Top 10 South East Asia Producers²



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

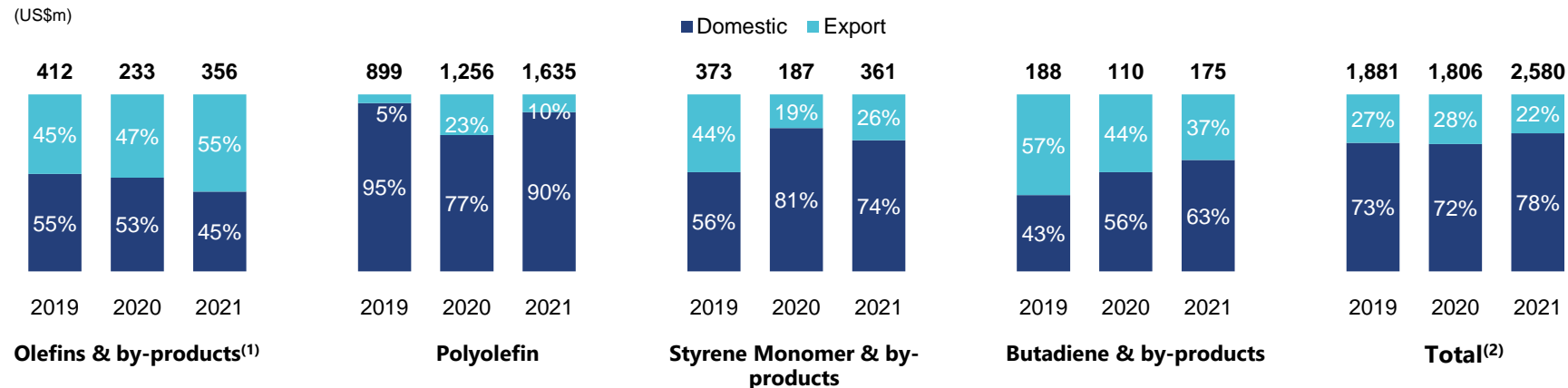
Sales & Marketing Strategy

- Long term relationships with key customers
- Network of 300+ customers, with diversified clientele
 - Top 10 customers account for only 37.61% of revenues in 2021
- 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 (2021)

Customer	Product	% of Revenue	Customer Since	Location
Customer 1	Polyethylene, Polypropylene	7.54%	1995	Indonesia
Customer 2	Polyethylene, Polypropylene	6.74%	2015	Indonesia
Customer 3	Styrene Monomer, Butadiene	4.54%	2004	Indonesia
Customer 4	Styrene Monomer, Butadiene	4.09%	2018	Indonesia
Customer 5	Polyethylene, Polypropylene	3.67%	1995	Indonesia
Customer 6	Ethylene	2.75%	1995	Indonesia
Customer 7	Polyethylene	2.36%	2018	Indonesia
Customer 8	Polyethylene, Polypropylene	2.25%	2015	Indonesia
Customer 9	Raffinate-1	1.90%	2013	Singapore
Customer 10	Styrene Monomer, Butadiene	1.76%	2010	Indonesia
Top 10 Customers % of Revenue		37.61%		

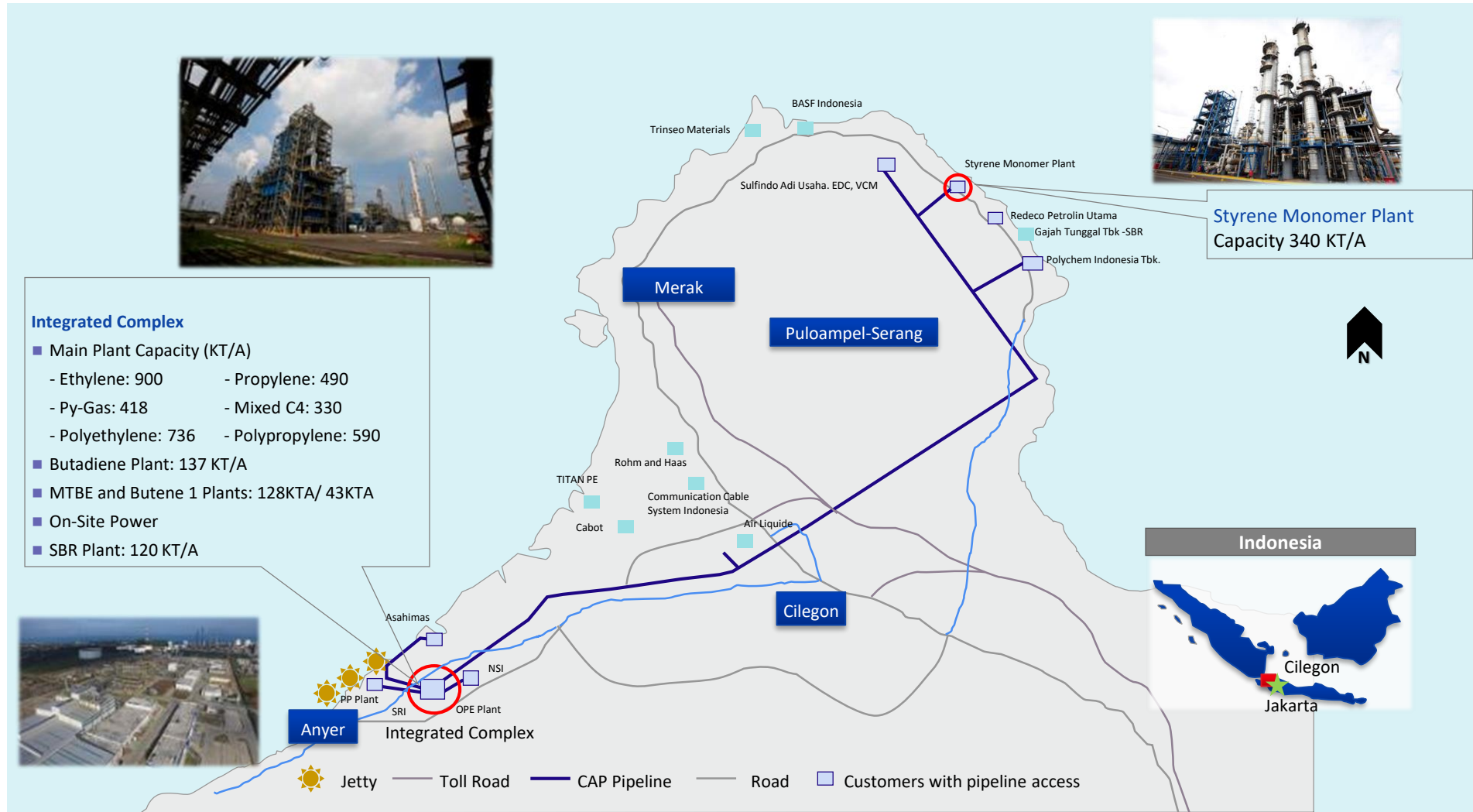
Sales Breakdown (2019 - 2021)



- (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) Exclude Tanks & Jetty Rent

Strategically Located Key Customers, with Location Proximity and a Proprietary Pipeline

Chandra Asri's Integrated Petrochemical Complexes

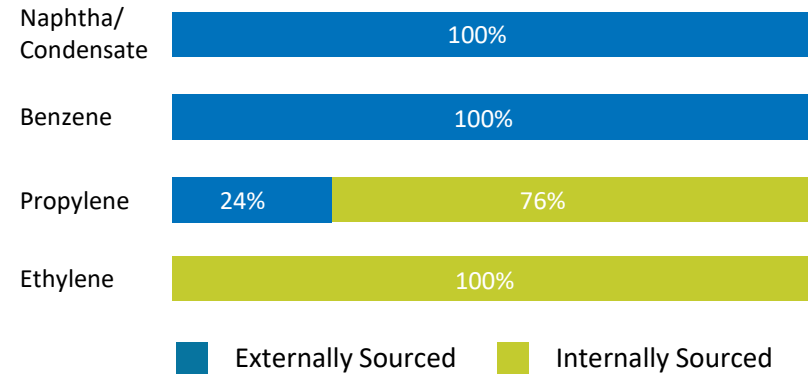


Stable & Flexible Feedstock Supply from Long-Term International Suppliers

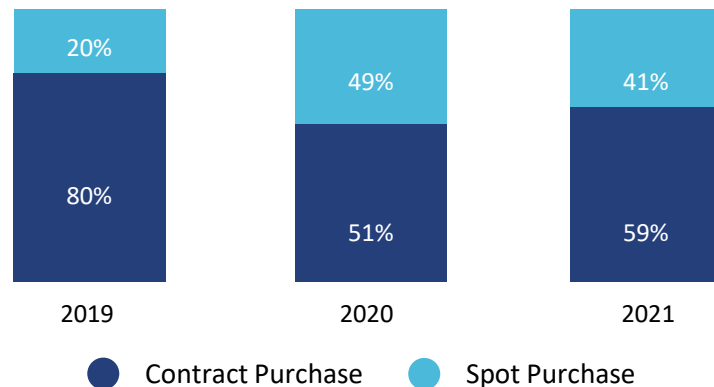
Feedstock Procurement Overview

- Long-standing stable supplier relationships
- No material feedstock supply disruption historically
- Flexibility in feedstock purchasing (spot vs. contract)
 - Avoids single supplier dependence
 - 54% of naphtha under contract with major oil trading companies in 2021
- Procurement synergies with SCG
- Substantial naphtha storage capacity to support 27 days of operations

Main Raw Materials (2021)



Naphtha Supply (2019-2021)

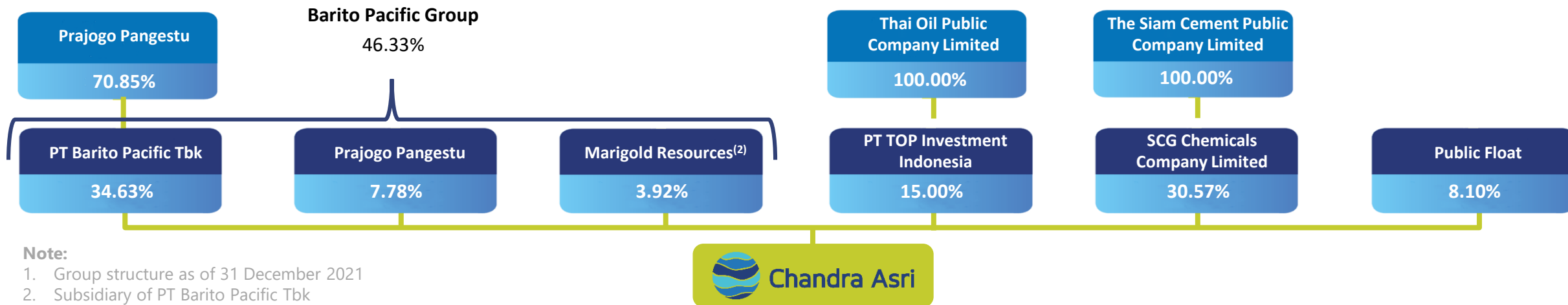


Key Suppliers of Naphtha (2021)

Supplier	Million US\$	%
Saudi Aramco Product Trading Company	830.1	52.9
Marubeni Petroleum Co Ltd	384.4	24.5
Abu Dhabi National Oil Company	124.7	8.0
Shell International Eastern Trading Co.	54.7	3.5
Konsorsium PT Titis Sampurna	53.3	3.4
Mitsubishi Chemical Corporation	52.3	3.3
Shell MDS (Malaysia) Sendirian Berhad	46.8	3.0
Total Oil Trading SA	19.5	1.2
PT Surya Mandala Sakti	2.1	0.1
Total	1,567.9	100.0%

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

Strong Commitment from Shareholders, Realizing Significant Partnership Benefits



Note:

1. Group structure as of 31 December 2021
2. Subsidiary of PT Barito Pacific Tbk

Barito Pacific

- Indonesia based conglomerate with business interests in property, timber, plantation, power generation and petrochemicals

Key Benefits of Partnership with Barito Pacific

- Barito Pacific is committed to the growth and development of CAP
 - Available land for expansion
 - Financial commitment (e.g. full subscription to prior rights offerings)

Siam Cement Group

- Thailand's largest industrial conglomerate and Asia's leading chemicals producer
- Invested 30% in CAP in 2011
- Second largest olefins and polyolefin producer in South East Asia

Key Benefits of Partnership with Siam Cement Group

- Sharing of production know-how and best operational practices
- Raw material procurement savings
- Sales and marketing collaboration
- Access to Thai financial institutions
- Accelerate CAP's expansion plans

Thai Oil

- The largest refinery and supplier of petroleum products in Thailand and the most efficient in Asia Pacific
- Integrated business group in oil refinery, petrochemical and lubricating oil

Key Benefits of Partnership with Thai Oil

- Long-term security of raw material supply
- Expertise in margin improvement programs and operational excellence programs
- Experience in developing the latest mega project, namely the Clean Fuel Project
- Equity investment for the development of CAP2

Strong backing from long term marquee strategic regional investors committed to development of the business

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



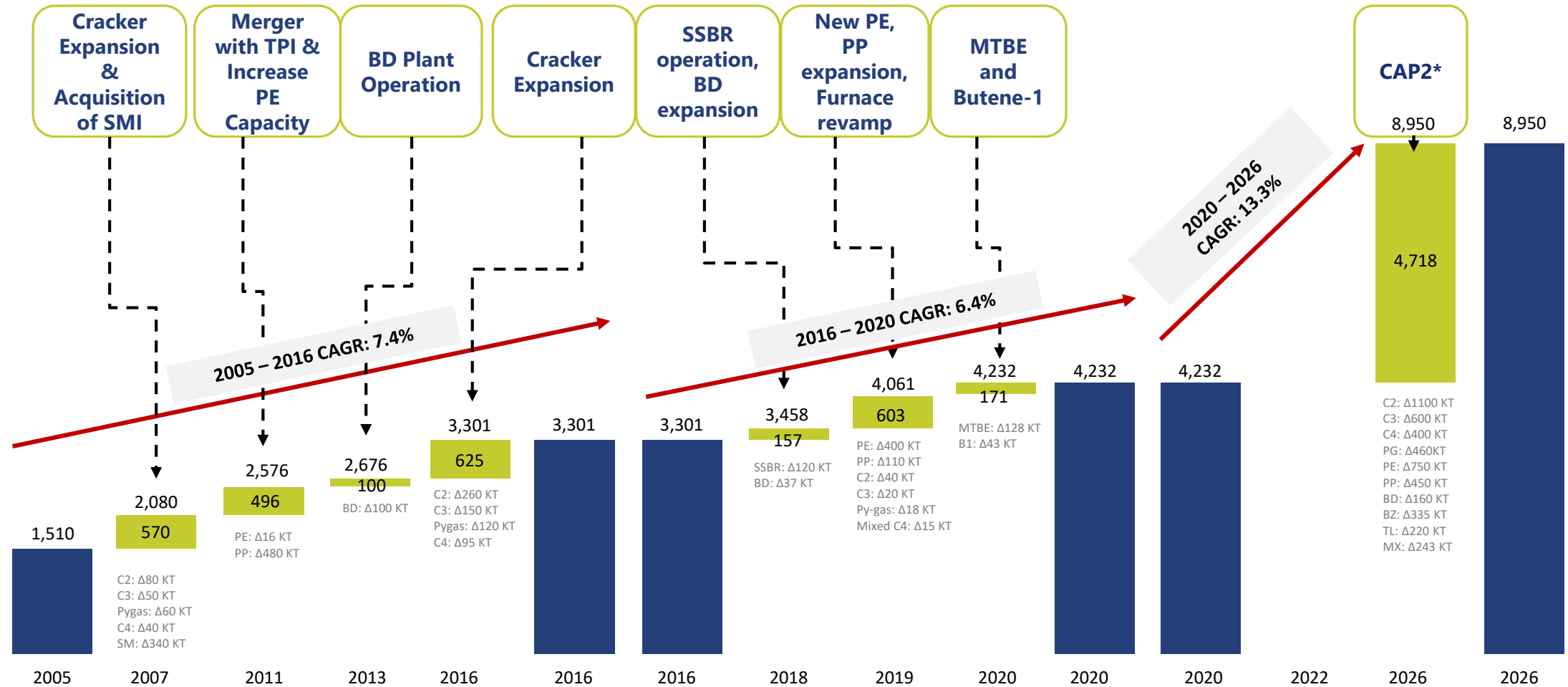
Future additional collaborations between CAP, SCG Chemicals and TOP

Notes:

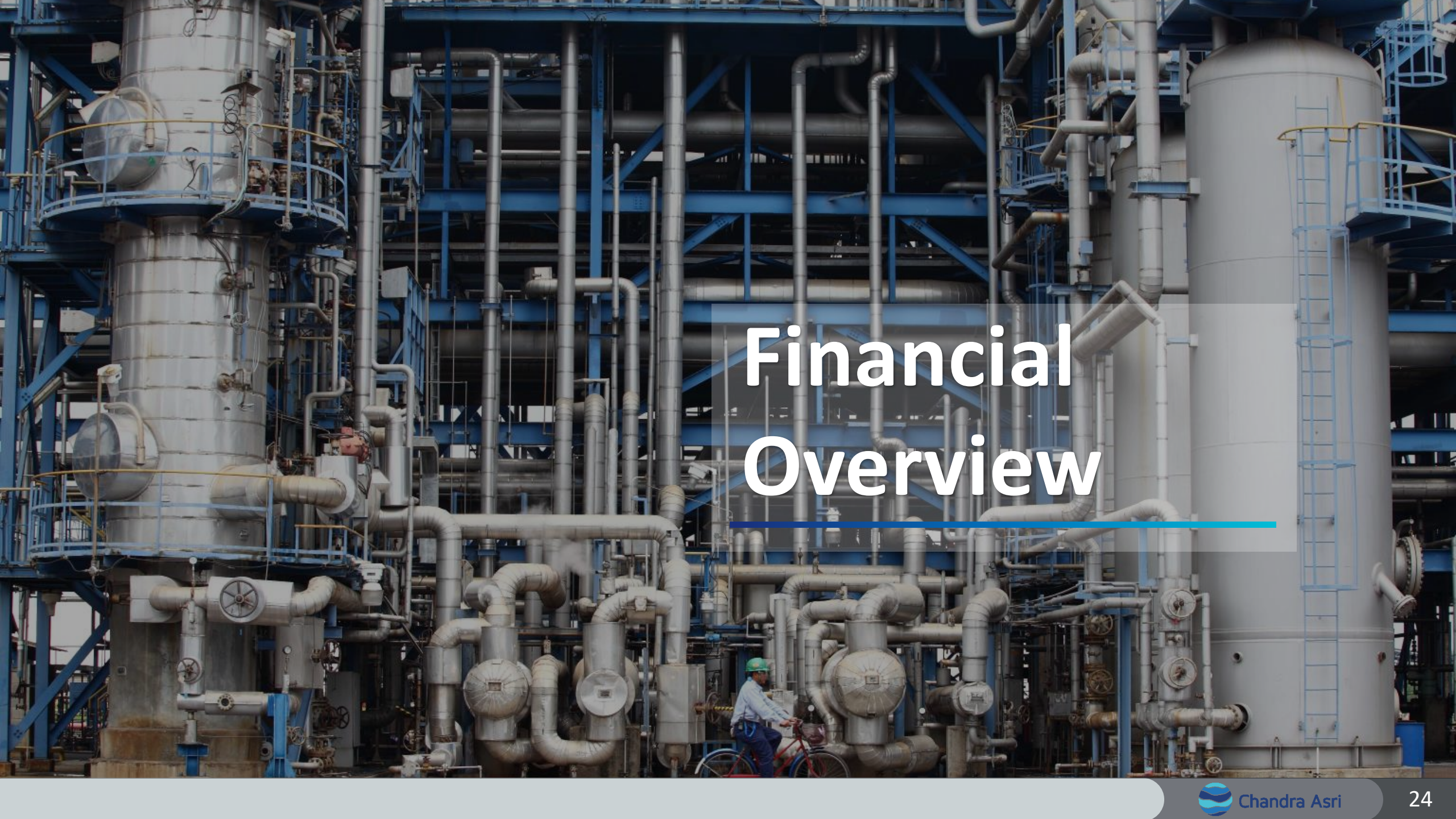
(1) Long Son petrochemicals complex is an integrated petrochemical complex being constructed in Long Son Commune of Ba Ria-Vung Tau Province, Vietnam by SCG Chemicals.

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

Solid Track Record of Delivering Sustainable and Profitable Growth



* Subject to FID



Financial Overview

Management Overview

Sustaining Excellence and Maintaining Resilience Throughout 2021

Highlights



- Revenue +43% yoy
- EBITDA +91% yoy
- 3x growth in Net Income, US\$152m (FY2021) vs US\$52m (FY2020)



Doubling Liquidity Pool of US\$2,511m (vs US\$1,232m prior year) with continuous Net Cash position



Proactive liability management to secure Lower, Longer, and Better Financing



Solid equity base US\$2.9b post successful rights issue in 2021. Also marking firm and on-track progress of CAP2 Project.



Clear commitment in paving pathway to sustainable growth with recognition of ESG Awards and Partnerships received

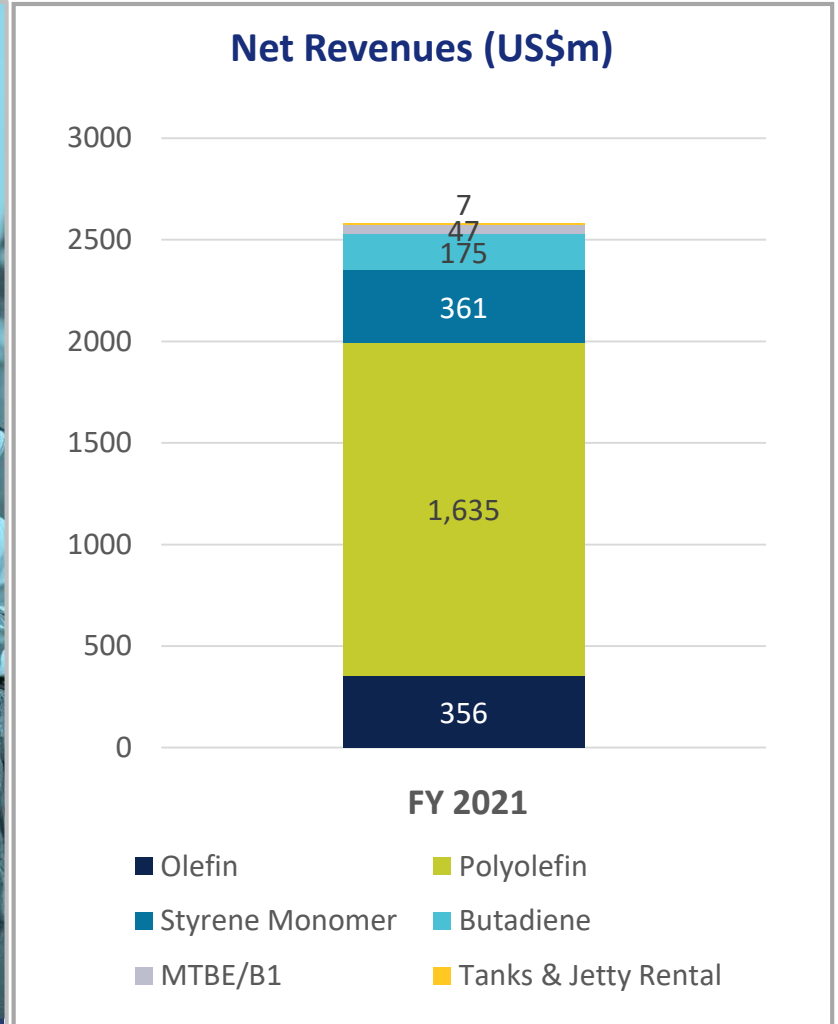
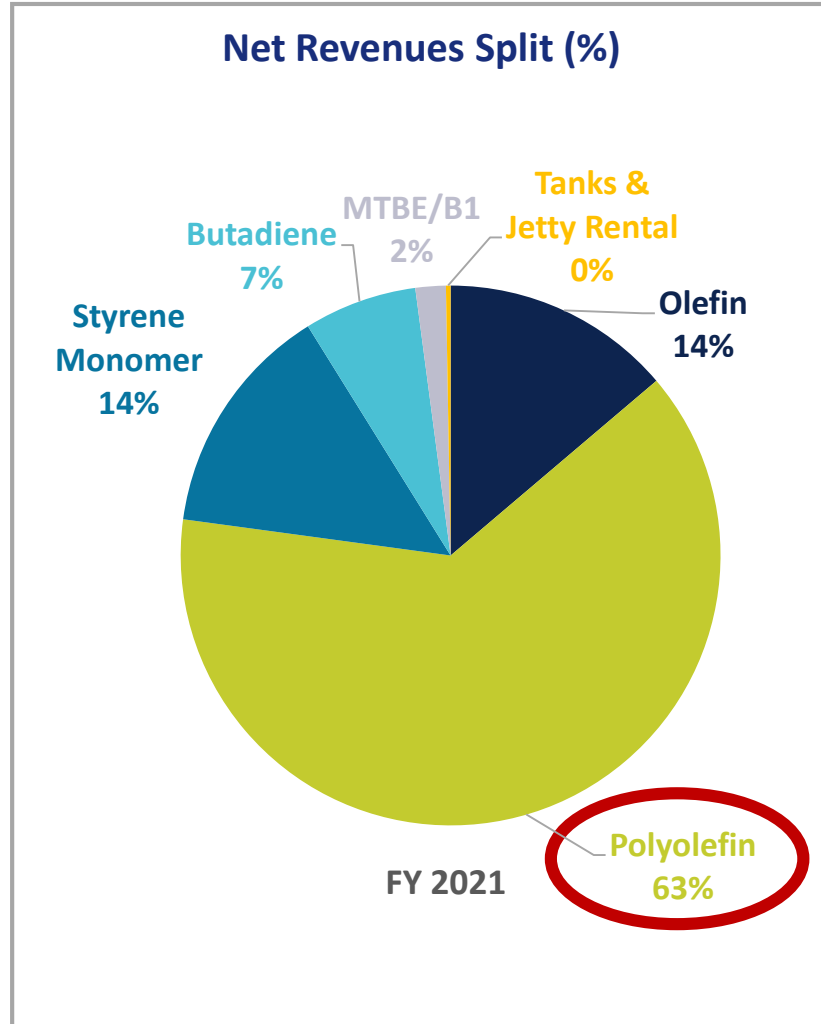


Won the Ministry of Industry's INDI (Indonesia Industry Readiness Index) 4.0 2021 Award – for the Aggressive Digitalization category

FY2020	Year	FY2021
\$1,806 mln	Revenue	\$2,580 mln
\$187 mln	EBITDA	\$356 mln
\$52 mln	Net Profit	\$152 mln
\$1,232 mln	Liquidity Pool	\$2,511 mln
\$75 mln	Net Cash	\$945 mln

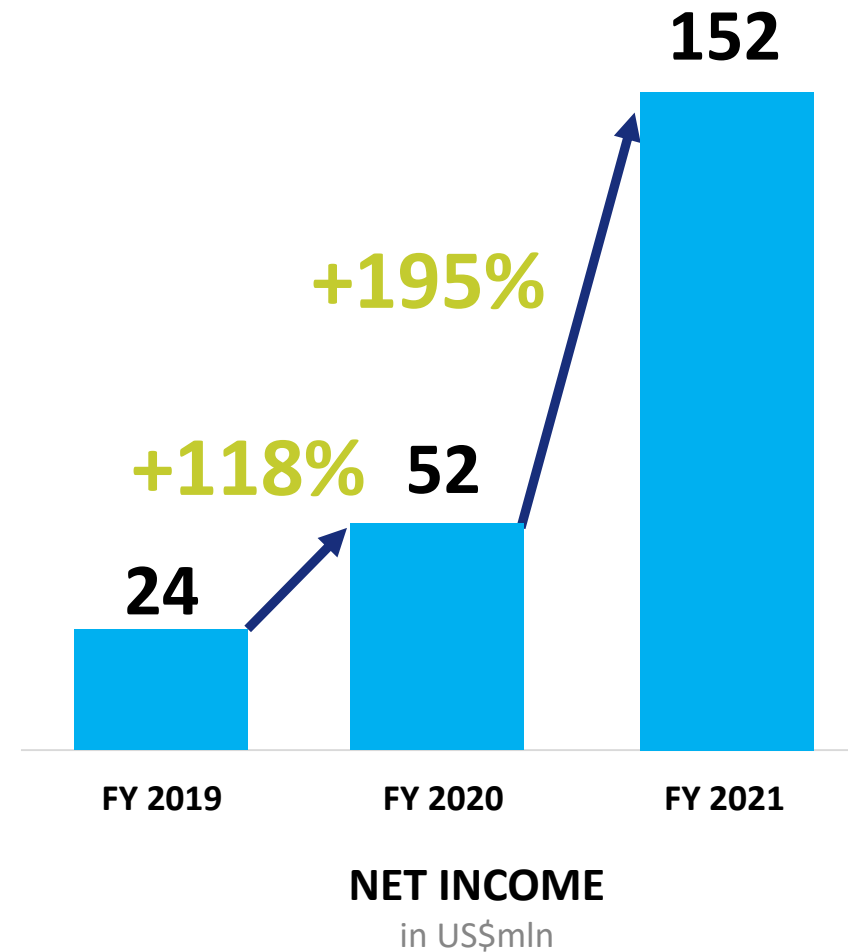
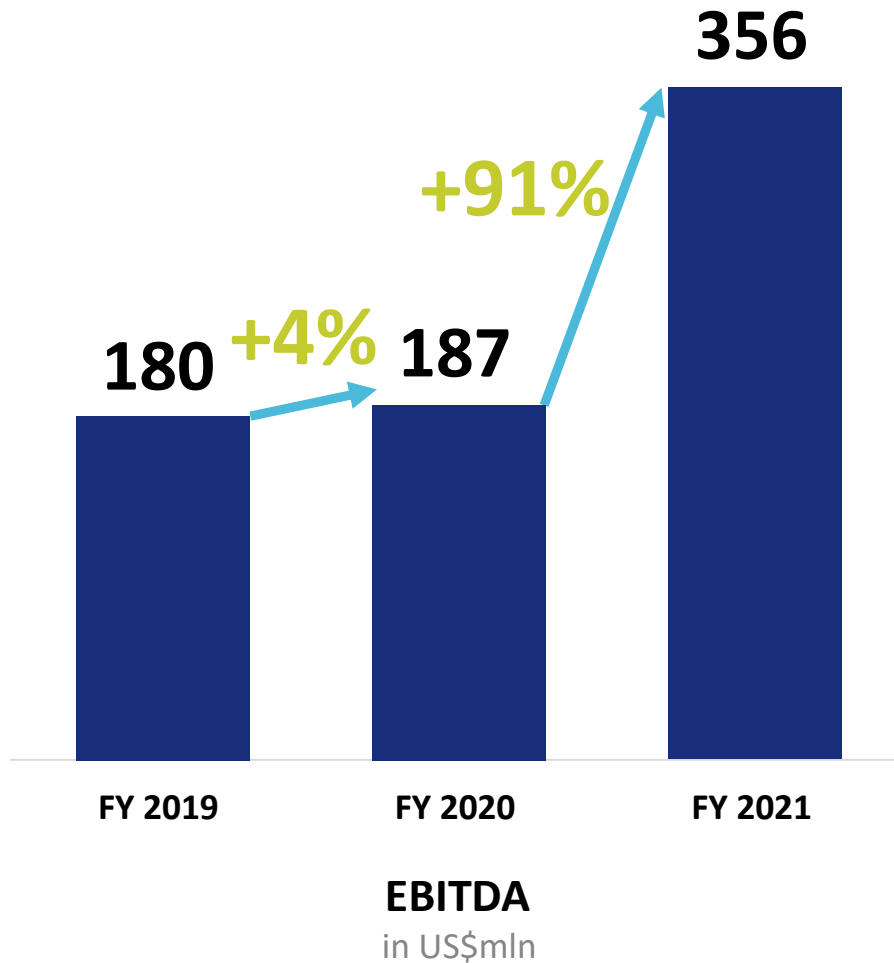
Net Revenues

CAP1 Downstream Integration and Polymer Growth Strategy Achieved



Profitability

Strong Financial Performance Delivered



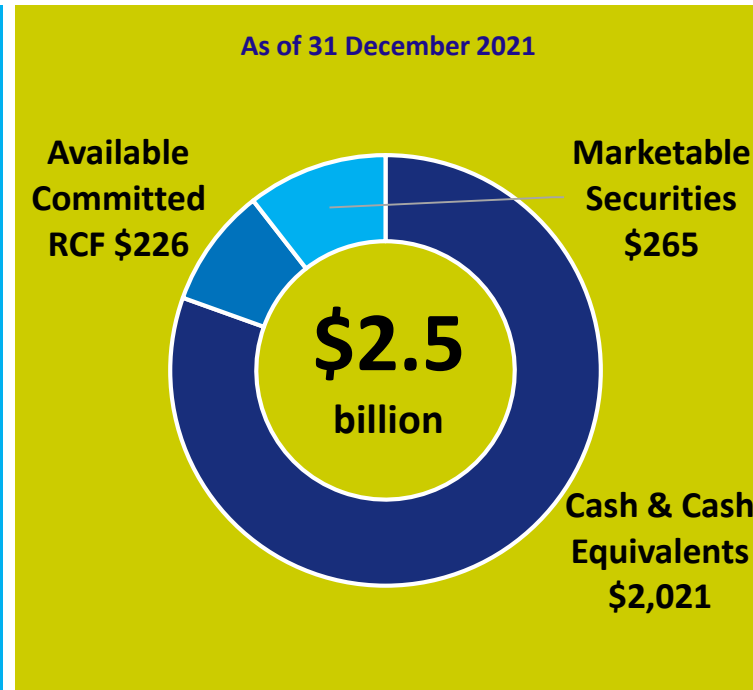
Key Balance Sheet Highlights

Strong Liquidity and Solid Balance Sheet

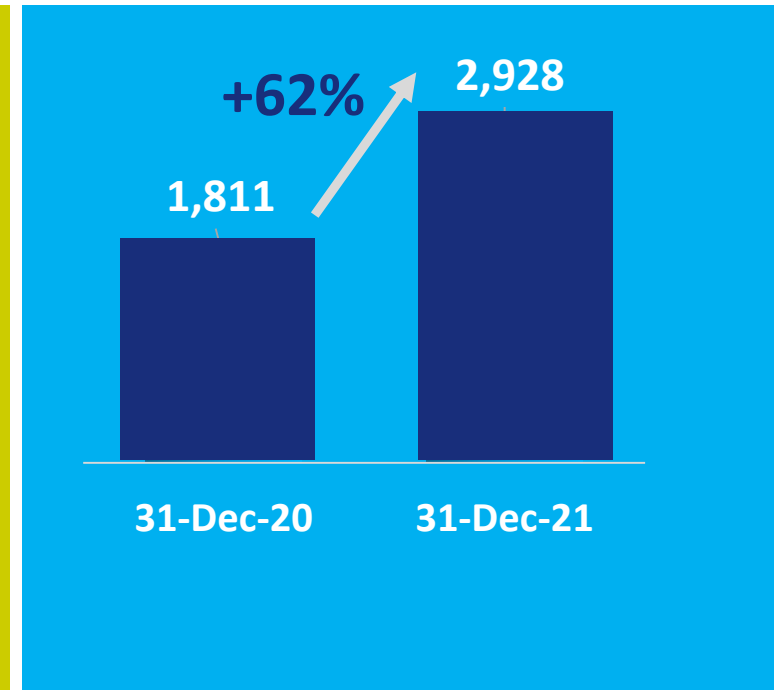
Debt to Capital Employed (%)



Total Liquidity Pool (US\$mIn)



Total Equity (US\$mIn)



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



Feel free to reach out to us should you have any questions

Head Office Address:

PT Chandra Asri Petrochemical Tbk

Wisma Barito Pacific Tower A, 7th Floor

Jl. Let. Jend. S. Parman Kav. 62-63

Jakarta 11410

Contact:

Investor Relations

Email: investor-relations@capcx.com

Tel: +62 21 530 7950

Fax: +62 21 530 8930

Visit our website at www.chandra-asri.com



@chandraasri.id



@chandraasriID



chandraasripetrochemicalofficial



pt-chandra-asri

Thank You



Chandra Asri
Your Growth Partner