

Press Release

Chandra Asri Licensor Selection of Ethylene Dichloride Plant to Serve Southeast Asia Market

Jakarta, 30 May 2023 – PT Chandra Asri Petrochemical Tbk (Chandra Asri) through its subsidiary, PT Chandra Asri Alkali (CAA), has signed a License, Basic Engineering and Technical Services Agreement with a leading vinyl technology licensor from United States of America, to develop ethylene dichloride (EDC) plant following the Company's business plan to build a world-scale integrated chlor-alkali and EDC plant (CA-EDC plant). In addition, the Company is now shortlisting the contractors to execute the EPC of CA-EDC plant.

The CA-EDC plant, which will be operated by CAP2's subsidiary, PT Chandra Asri Alkali, will produce 500,000 metric tons per annum of ethylene dichloride (EDC) and more than 400,000 metric tons per annum of caustic soda. The EDC plant is expected to serve the shortage of the material in Southeast Asia due to growing demand in the vinyl products chain. Ethylene dichloride is commonly used as an intermediary chemical for PVC (polyvinyl chloride) production, a common plastic used for pipes in the construction sector.

As a growth partner, Chandra Asri strives to support construction and infrastructure sectors at the regional level by providing high quality polymer raw materials for polyvinyl chloride. With the development of the EDC plant, Chandra Asri also wishes to contribute to the national income and economic growth through export by continuously capturing business opportunities.

President Director of Chandra Asri, Erwin Ciputra, said, "Chandra Asri is delighted to collaborate with the leading vinyl technology licensor from USA to develop a world-scale ethylene dichloride plant. We hope this collaboration will help Chandra Asri to execute its core strategy of achieving transformational growth and support the Indonesia ambition to become the largest petrochemical producer in ASEAN as well as a strategic partner for the downstream sector. This EDC project is also in line with the company's plan to develop its second world-scale petrochemical complex, CAP2."

Previously, Chandra Asri and Indonesia Investment Authority (INA) had signed a Memorandum of Understanding (MoU) to develop CA-EDC project collaboratively. A world-class leading licensor with the state-of-the-art chlor-alkali technology, Asahi Kasei Corporation (AKC) from Japan, has also been appointed as the technology licensor for the chlor-alkali plant. This CA-EDC plant owned by CAA will be built in Cilegon.

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About Chandra Asri

Chandra Asri Petrochemical is Indonesia's largest integrated petrochemical company producing olefins and polyolefins. With a history of 30 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.