

Press Release

Chandra Asri Group and INALUM Collaborate to Support Aluminum Downstreaming and Accelerate National Electric Vehicle Ecosystem

Jakarta, October 30, 2023 – PT Chandra Asri Petrochemical Tbk (Chandra Asri Group), through its subsidiary, PT Chandra Asri Alkali (CAA), has signed a Letter of Intent (LoI) with PT Indonesia Asahan Aluminium (INALUM) to support the development of aluminum downstream and accelerate a sustainable national electric vehicle (EV) ecosystem. This collaboration includes the potential supply of liquid caustic soda by CAA to INALUM, with a volume of up to 120,000 MT per year, and the possibility of INALUM acquiring up to a 10% equity stake in CAA.

Chandra Asri Group, through its Chlor Alkali-Ethylene Dichloride (CA-EDC) Plant, will supply liquid caustic soda that INALUM will use as a primary raw material in aluminum production at its smelter facilities, including as a component in the battery pack for EVs. INALUM will additionally perform an investment feasibility study on CAA, evaluating the potential for equity participation in CAA. This collaboration is expected to contribute to one of the Indonesian government's priorities of increasing value to raw material commodities.

Through this LoI, Chandra Asri Group and INALUM are striving to facilitate the growth of the midstream and downstream aluminum industry, particularly for domestic electric vehicles. This includes accelerating the adoption of electric vehicles, where the use of battery-based vehicles plays a role in Indonesia's efforts to achieve net-zero emissions by 2060.

Erwin Ciputra, President Director & CEO of Chandra Asri Group, said that as a strategic growth partner for Indonesia, his party welcomed this partnership, "The collaboration between Chandra Asri Group and INALUM holds significant importance for us in implementing our investment portfolio as a support for downstream activities in the mining industry. This collaboration can contribute to fostering the development of downstream ecosystems, especially in the aluminum mineral sector, and support the development of the domestic electric vehicle industry. INALUM is the right partner due to their experiences and expertise in this industry."

Melati Sarnita, Director of Business Development at INALUM, explains that the liquid caustic soda supplied by CAA will be utilized by PT Borneo Alumina Indonesia ("**BAI**"), a subsidiary of INALUM, in conjunction with PT ANTAM Tbk, as one of primary raw materials for alumina production through the Smelter Grade Alumina Refinery (SGAR) facility, on which, scheduled to start its operation in 2025. The alumina produced will then be utilized by INALUM as a raw material to produce aluminum in their smelting facilities.

Melati further adds that INALUM is currently focusing on the development of the national aluminum downstream ecosystem and increasing production, both in terms of developing the aluminum supply chain and green energy. INALUM plays a strategic role as aluminum is a crucial raw material needed in the development of sustainable national industries, particularly in electric vehicles and electric batteries in Indonesia.

About Chandra Asri

Chandra Asri is a leading chemical and infrastructure solutions company in Indonesia with a track record of over 31 years in the petrochemical industry. The company employs over 2,000 dedicated staff, incorporates state-of-the-art technologies and supporting facilities located strategically in the country's industrial 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. Chandra Asri is currently expanding its portfolio in the energy sector and incorporating its asset as well as operational infrastructure to support the expansion plan of the second world-scale integrated petrochemical complex in Indonesia, CAP2. For more information, visit: www.chandra-asri.com

About INALUM

PT Indonesia Asahan Aluminium, or INALUM, is part of MIND ID, the holding state-owned enterprise for the Mining Industry, established on January 6, 1976. The company's name was changed from PT Indonesia Asahan Aluminium to PT Indonesia Asahan Aluminium (Persero) in 2014, commonly referred to as INALUM. It became a State-Owned Enterprise (BUMN) on December 19, 2013, based on Government Regulation No. 26 of 2014 concerning the Establishment of PT Indonesia Asahan Aluminium as a Limited Liability Company (Persero).

After 5 (five) years of performing both corporate functions as a Mining Industry Holding and operational aluminum smelting, PT Indonesia Asahan Aluminium (Persero) changed its status to become a member of the said MIND ID, following Government Regulation No. 45 of 2022 concerning the Reduction of the Republic of Indonesia's State Capital Participation in the Limited Liability Company (Persero) PT Indonesia Asahan Aluminium, and Government Regulation No. 46 of 2022 concerning the Republic of Indonesia's State Capital Participation in the Establishment of Limited Liability Company (Persero) in the Mining Sector. Both regulations officially removed the Persero company status on March 23, 2023.

PT Indonesia Asahan Aluminium has network offices located in several places, including INALUM Operating with the Central Office at the Aluminum Smelting Plant in Kuala Tanjung, the PLTA Office in Paritohan, Representative Office in Jakarta, and Liaison Office in Medan.

For further information, please contact:

Chandra Asri

Suryandi

Director of HR & Corporate Affairs

Phone : 021-530 5790

Email : suryandi@capcx.com

Chrysanthi Tarigan

Head of Corporate Communications

Phone : 021-530 7950

Email : corporate.comm@capcx.com

INALUM

PT Indonesia Asahan Aluminium Headquarters

Kuala Tanjung, Sei Suka District, 21657

Batu Bara Regency, North Sumatra, Indonesia

P.O. BOX 1 Kuala Tanjung Telephone: (+62622) 31311 Fax: (+62622) 31001

Email: corsec@inalum.id INALUM

Public Relations - Smelter: Muhammad Jufri 085276555756

Social Media: Instagram: [inalum](#); Twitter: [@INALUM_Official](#);

Facebook: PT Indonesia Asahan Aluminium – Persero; Youtube: INALUM Official