PRESS RELEASE
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Reducing Import Dependency, Danantara and INA Sign Investment Agreement in Chandra Asri Group's CA-EDC Project

Jakarta, March 3 2026 – Danantara Indonesia, Indonesia Investment Authority (INA), and Chandra Asri Group have officially signed a Conditional Share Subscription Agreement (CSSA) to strengthen domestic production capacity of Caustic Soda and Ethylene Dichloride (EDC) and enhance national supply resilience. This agreement follows the Memorandum of Understanding (MoU) signed between Danantara Indonesia, INA, and PT Chandra Asri Pacific Tbk (Chandra Asri Group), under which Danantara Indonesia and INA act as strategic investors in the project.

The agreement marks the capital commitment phase to support the development of the Chlor Alkali – Ethylene Dichloride (CA-EDC) plant in Cilegon, Banten, developed and operated by Chandra Asri Group. The project aims to reduce reliance on imports of critical raw materials across various industries, while advancing downstream industrialization as part of Indonesia's long-term economic transformation agenda. Increasing domestic Caustic Soda production capacity is expected to significantly strengthen import substitution and domestic supply resilience. Meanwhile, EDC production will not only support domestic industrial demand but also has the potential to boost exports and contribute to foreign exchange earnings, in line with enhancing the competitiveness of the national chemical industry.

The CA-EDC plant development has a total project value of USD 800 million and is part of a National Strategic Project (PSN) focused on producing essential raw materials for upstream and downstream industries. Caustic Soda is widely used in the production of soap and detergents, alumina refining, and paper manufacturing. EDC, meanwhile, is a key raw material supporting the construction and packaging industries.

Under the agreed investment structure, Danantara Indonesia and INA will jointly invest a total of USD 200 million. The funding will be allocated to develop the strategic CA-EDC industrial facility managed by PT Chandra Asri Alkali (CAA), a subsidiary of Chandra Asri Group, which is targeted to commence operations in 2027.

Pandu Sjahrir, Chief Investment Officer of Danantara Indonesia, stated, "Today's agreement reaffirms Danantara Indonesia's commitment to strengthening strategic national industries that generate high value-add, create employment opportunities, and accelerate Indonesia's economic growth. This collaboration is not only a response to import dependency challenges, but also a concrete step toward advance downstream industrialization, a key driver of Indonesia's economic."

Eddy Porwanto, Acting Chief Executive Officer of INA, stated, "This investment reflects INA's long-term mandate to mobilize capital into sectors that are national priorities. Together with Chandra Asri Group, as Indonesia's largest integrated petrochemical industry player and a leading company in Southeast Asia, and Danantara Indonesia, as a long-term investment partner, this collaboration aims to establish a strong capital foundation to sustainably expand strategic raw material industrial capacity. Through this initiative, we aim to advance downstream industrial development, enhance domestic value creation, and strengthen the competitiveness and resilience of Indonesia's industrial sector."

President Director and CEO of Chandra Asri Group Erwin Ciputra added, "We welcome the participation of Danantara Indonesia and INA as strategic investment partners in the CA-EDC project. This support reflects confidence in Chandra Asri Group's capability to develop this facility. We expect the CA-EDC project to significantly reduce dependency on imported strategic chemicals, strengthen national supply chain resilience, and support downstream industrialization. Furthermore, the construction and operation of this facility will create approximately 3,000 jobs during the construction phase and 250 jobs during operations, while delivering sustainable benefits to the communities and industries in Cilegon and surrounding areas."

In its first phase, the CA-EDC plant will have an annual production capacity of 400,000 tons of Caustic Soda and 500,000 tons of Ethylene Dichloride. The facility is being developed in accordance with high industrial technology and safety standards to ensure operational efficiency, supply reliability, and compliance with sustainability principles.

The collaboration between Danantara Indonesia, INA, and Chandra Asri Group demonstrates synergy between Indonesia's sovereign funds and a leading petrochemical company. By strengthening the domestic supply chain while expanding export opportunities, this partnership contributes to accelerating sustainable industrialization and reinforcing Indonesia's competitive position in the global market.

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<u>About Danantara Indonesia</u>

Danantara Indonesia, officially known as Badan Pengelola Investasi Daya Anagata Nusantara (BPI Danantara), is a strategic investment management institution established under Law No. 1 of 2025. As an independent entity under the President, Danantara Indonesia's mandate is to manage and optimize government investments and assets from State-Owned Enterprises (SOEs) in order to support the achievement of the Asta Cita vision, strategic national plans, as well as government programs to accelerate industrialization and economic growth. With a professional, transparent, and accountable approach, Danantara Indonesia aims to strengthen the governance of state assets, create added value for the economy, while increasing Indonesia's competitiveness in the global market.

More on Danantara Indonesia: https://www.danantaraindonesia.co.id

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About Indonesia Investment Authority (INA)

Indonesia Investment Authority is Indonesia's sovereign wealth fund mandated to increase investment to support the country's sustainable development and build wealth for its future generations. INA conducts investment activities and collaborates with leading global and domestic investment institutions in sectors that strengthen Indonesia's advantages and provide risk-adjusted optimal returns. For more information, visit: www.ina.go.id.

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About Chandra Asri Group

Chandra Asri Group is a leading provider of energy, chemical, and infrastructure solutions in Southeast Asia, supplying products and services to various manufacturing industries in both domestic and international markets. Since the Group's establishment in 1992, Chandra Asri has grown from strength to build our reputation as a reliable growth partner, with strategically well positioned assets in Indonesia and Singapore. The Group's asset base includes a refinery with a capacity of 237,000 barrels per day alongside a 1.1 million metric ton per annum ethylene cracker on Bukom Island, 2.5 million metric ton per annum downstream chemicals on Jurong Island and Indonesia's first naphtha cracker located in Cilegon with a capacity of 0.9 million metric ton per annum. The Company's business is supported by core infrastructure assets, including energy, water, ports & storage, and logistics. For more information, visit www.chandra-asri.com.

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