



For Immediate release

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President Joko Widodo kicks off construction of the world's largest copper smelter in SEZ JIPE Gresik

JAKARTA, October 12, 2021 – Indonesia's President Joko Widodo officiated the groundbreaking ceremony for PT Freeport Indonesia's (PTFI) new copper smelter at Special Economic Zone Java Integrated Industrial and Port Estate (SEZ JIPE) Gresik, East Java. The Copper Smelter and Precious metals refinery being built in JIPE is a project to strengthen the national downstream metals industry in Indonesia. JIPE is a strategic national project jointly promoted by PT AKR Corporindo Tbk., (AKRA.IJ) along with State owned Pelindo III which integrates industrial estate with deep seaport and other utilities.

The Freeport Copper Smelter Project was built in the SEZ JIPE Gresik with an investment of \$3 billion or equivalent to Rp42 trillion. This smelter will be the first 5G mining in Southeast Asia to process 1.7 million MT of copper concentrate and 35-54 MT of gold per year. This investment will generate potential income of more than \$ 5 billion per year. In addition to contributing revenue to Indonesia, this project will also absorb 40 thousand workers during construction, and requires support for electricity, water, and port utilities from the SEZ JIPE Gresik.

"The arrival of PTFI in the Special Economic Zone (SEZ) JIPE in Gresik will be a strong pull factor for other industries to invest in Indonesia, especially those in the copper derivatives industry. We will keep supporting the development of infrastructure, as well as easing business processes. In addition, the local government of East Java province and district of Gresik will contribute to meeting the human resources needs of SEZ Gresik to make Indonesia more attractive as an investment destination," said President Widodo.



During a back-to-back event, Coordinating Minister of Economy, Airlangga Hartarto, also officially handed over SEZ status to JIPE Gresik and inaugurated it as a Development and Management Entity (BUPP).

Hartarto said, "Currently we have 15 out of 19 SEZs in operation, with a total investment of 64.4 trillion rupiahs, that has generated 23,000 new jobs and total exports of 3,8 trillion rupiahs. Today, SEZ Gresik officially receives its status as Special economic zone as per Government Regulation No 71. The designation marks a milestone in the development of a chosen brownfield site chosen to become a new export and advanced technology-oriented powerhouse."



With the addition of BUPP status, JIPE will be authorised to handle all business licensing requests for investors under one roof, such as the issuing of building permits, environmental impact assessment certificates (AMDAL), and operational permits.

President Director of AKR Corporindo Haryanto Adikoesoemo said, "With SEZ and BUPP status now legally confirmed, investors will be able to do business in comfort. Our strategy in JIPE is to build clusters of supply chains, provide utilities at competitive prices and an integrated deep seaport. This will enable our tenants operate efficiently and be competitive not only in Indonesia but also in the ASEAN region. We believe the commissioning of this smelter construction will be a turning point for KEK JIPE Gresik".



For more information on SEZ JIPE, please visit www.jiipe.com

Investor Relation
PT AKR Corporindo Tbk

PT AKR Corporindo Tbk

PT AKR Corporindo Tbk (the Company) was formally established in Surabaya in 1977 and was listed on the Indonesian Stock Exchange in 1994. The Company is Indonesia's leading integrated supply chain solutions provider and largest private sector distributor of petroleum and basic chemicals. The Company is also the first private company appointed by the Government of Indonesia to distribute subsidized petroleum. The Company's joint venture with BP has opened non-subsidized gasoline stations under BP-AKR retail in various locations in Indonesia. The Company is a renowned provider of logistics and infrastructure with areas of operations encompassing Indonesia. Through a number of subsidiaries, it governs, the Company also operates in the areas of logistic services, manufacturing.

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