



For immediate release

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BKMS and PLN Signed 170 MVA Power Purchase Agreement to mobilize the PT Freeport Indonesia Smelter in the JIPE SEZ

JAKARTA, March 14, 2022 – PT Berkah Kawasan Manyar Sejahtera (BKMS), a subsidiary of PT AKR Corporindo Tbk (IDX stock code: AKRA.IJ), and PT PLN Persero (PLN) today signed an Electricity Purchase Agreement (PJBTL) amounting to 170 MVA. This PPA will make it easier for BKMS to distribute electricity to PT Freeport Indonesia (PTFI).

The signing ceremony was attended by representatives from the Coordinating Ministry for the Economy, Ministry of Industry, Ministry of Energy and Mineral Resources Rida Mulyana ,Msc; Gresik Regent, Mr. Elen Setiadi ; Secretary General of the SEZ National Council ;Mr. Bob Syahril - Director of Commerce and Customer Management of PLN; Mr. Haryanto Adikoesoemo - President Director of AKRA; Mr. Bambang Soetiono-Director of BKMS; Mr. Tony Wenas – President Director of Freeport Indonesia; along with the senior management of AKRA, BKMS, Pelindo, PTFI and other PLN.



Purchase Power Agreement Signing Event between PLN and PT BKMS To Serve PT Freeport Indonesia

The PPA which is owned by PT BKMS stated that PLN will distribute and sell electricity to BKMS, on an ongoing basis through the PLN 150 kV (one hundred and fifty kiloVolts) High Voltage Supply with a total power of 170 MVA (one hundred and seventy Mega Volt Ampere). On this occasion, PT BKMS also signed a back to back agreement with PT Freeport Indonesia in which PT BKMS will distribute and resell Power connected to PTFI according to their needs, so that this will generate recurring income for KEK JIPE Gresik.

In his remarks on behalf of the President Director of PLN, Mr. Bob Syahril as the Director of Commerce and Customer Management said "PT PLN is ready to serve with international standard reliability, we will add more power plants and backbone networks so that there will be several alternative supply in accordance with the agreement. We are ready to supply electricity to PTFI's smelters from the substation."

Mr. Bob Syaril also added “We offer competitive prices. This is supported by a network that is quite strong and also a sufficient supply of excess so that approximately 6.5 Gigawatts are available.”

Mr. Bambang Setiono as the President Director of PT BKMS gave a speech "Today we can together in this place to witness the signing of the Cooperation between PT Freeport and PT BKMS and PT PLN with PT BKMS until there is a mutual cooperation that we really hope for Cooperation between SOEs. We really hope for support from PLN so that we can continue the next collaboration. We believe that thanks to the support of Mr. Elen, we have obtained the SEZ and now quite a number of people have contacted us and we are very aggressive in contacting prospective tenants.

Director of PT Freeport Indonesia Mr. Tony Wenas also gave a speech "We hope that the construction of the largest single line copper smelter project in the world can run as it should according to the target" Mr. Tony Wenas also added "We hope that all parties can support this project, which is one of the barometers for mineral downstreaming in Indonesia, so that what Mr. President hopes is the emergence of other downstream industries as derivatives of cathode copper, gold and silver can grow not only in JIPE but also in other parts of Indonesia”.



Closing Ceremony of the signing of SPJBTL PT BKMS and PT PLN Persero

Representing the Government in this case the Ministry of Energy and Mineral Resources, Mr. Rida Mulyana, Msc Director General Electricity said that “Issuance of this business license is to ensure that the electricity supply meets adequacy, reliability, sustainability, affordability in terms of price, and also the flow meets the elements of justice. According to Consitution No. 11 of 2020, Business license holders (BKMS and PLN) have 4 obligations: 1) must provide electricity that meets applicable quality and reliability standards, 2) provide the best possible service, 3) meet electricity safety requirements, 4) prioritize domestic products or potentials”

Speaking after the signing ceremony, AKRA's President Director, Mr. Haryanto Adikoesoemo, stated, “Today is another important milestone for the JIPE SEZ and the PTFI Copper Smelting Project. The signing of the SPJBTL shows how the JIPE SEZ facilitates tenants by providing all the tenants' utility needs, port facilities and the benefits of Special Economic Zones. The PTFI project has been designated as a National Strategic Project and JIPE SEZ Management is working closely with the PTFI team to ensure that this project will be completed on time.”

“The JIPE SEZ is currently experiencing an increase in investor interest in land and other services available in the JIPE SEZ. This is expected to encourage new land sales in the near future. The revenue generated from this agreement will be used to develop infrastructure at JIPE and provide value to AKRA shareholders”.

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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 to industrial customers. The Company entered retail petroleum distribution since 2010 on being appointed by the Government of Indonesia to distribute subsidized petroleum. Since 2018, the Company has established joint ventures with BP for non-subsidized gasoline stations under BP-AKR retail in various locations in Java, established aviation fuel supply stations in eastern part of Indonesia. The Company has through a number of its subsidiaries also operates third party logistics services, manufacturing and trading and distribution of basic chemicals and lubricants.

The Company is developing Java Integrated Industrial Port Estate ("JIPE") in Gresik, East Java, one of the largest integrated industrial estates in the country with access to deep seaport, multimodal transportation, and utilities to serve the needs of industrial customers. JIPE encompasses a total area of 3,000 ha comprising of 1,800 hectares of Industrial estate operated by company's subsidiary PT Berkah Kawasan Manyar Sejahtera ("BKMS"), 400 hectares of deep seaport developed by affiliate company PT Berlian Manyar Sejahtera ("BMS") and 800 hectares of residential estate developed by PT AKR Land Development (an affiliate of AKR). JIPE has been designated as Special Economic Zone (SEZ) by Government of Indonesia vide President Proclamation No 71 / 2021 which would enable industrial tenants and customers to avail various fiscal and non-fiscal benefits and other facilities which will improve ease of doing business in JIPE. The Company aims to build utilities including Power plants, water supply and other supporting infrastructures which will generate significant recurring income.

The Company is committed to implementing best practices for growth of its business in a sustainable manner and has undertaken various ESG initiatives covering areas of clean energy, Health & Safety, Human Rights, Environment, Energy use, Business Ethics, and Integrity. AKR is now one of the constituent stocks in the IDX ESG leaders index and included in LQ 45 and other indices of the Indonesian stock exchange,

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