

AKR NEWS RELEASE



For Immediate Release

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AKRA and Reconstitution of LQ45 Index

JAKARTA, 28 January 2022 – PT AKR Corporindo Tbk (IDX ticker code: AKRA.IJ) has received inquiries from investors and analysts regarding the reconstitution of LQ45 Index for the period Feb-July 22. AKRA, which is constituent stock since January 2012 in the LQ45 Index will not be part of the LQ45 index for the coming period as per the public notification published by the IDX. We would like issue the following clarification as per our understanding:

1. LQ45 index measures the stock price performance of Top 45 stocks which we are given to understand is based on periodic review of the companies based on market capitalization, volume, and frequency of trading and not the least good fundamentals.
2. AKR Management assumes that ranking and non-inclusion of AKRA in the next period for LQ45 **could be due to the frequency, volume of trade in the stock**; We firmly believe that AKRA business fundamentals remain robust, and the Company has delivered sustainable growth in the profits and maintains strong financial position with low gearing, adequate cash balance and asset base with adequate liquidity; and to expand greater participation of retail investors, the Company has conducted stock split with a ratio of 1:5 to increase the number of shares and also make the share price more attractive to retail investors, especially Millennials; stock split has taken effect from 12 January 2022
3. AKRA during the past 2 financial years (2020, 2021) has delivered double digit growth in profits despite the global Pandemic has caused significant disruptions and significant downturn in economic growth as per preliminary estimates AKRA revenue and profit growth is expected to be in high teens and we have a strong cash flow and good performance in all the business divisions.
4. The Company's Corporate governance is well recognized, and the Company has implemented good ESG practices. AKRA is getting continued appreciation with induction to main ESG indices:
 - IDX KEHATI & Quality 45 IDX KEHATI Inde,
 - SRI KEHATI Index
 - Constituent of ESG Leaders Index since Dec 2020
 - IDX and OJK (Financial Services Authority) have showcased AKRA as one of seven ESG Star Listed Companies
 - Meanwhile, our ESG scores are showing steady improved by various international rating agencies like Sustainalytics and ISS.
5. We remain confident of maintaining similar growth levels in 2022. This is based on
 - Higher demand for basic chemicals and Energy driven by higher GDP growth
 - demand of chemicals and energy from smelters as Indonesia has aggressively adopted value-addition of mineral raw materials
 - increasing interest of potential investors in KEK JIPE (Java Integrated Industrial and Port Estate).

AKR Management is always available to discuss our performance, outlook and any issue related to our business

Suresh Vembu
Director & Corporate Secretary

Indices and their Description (<https://www.idx.co.id/en-us/products/index>)**LQ45**

An index that measures the stock price performance of 45 stocks with relatively large market capitalization, high liquidity, and good fundamentals.

ESG Quality 45 IDX KEHATI

An index that measures the stock price performance of 45 stocks that consider the quality of financial and ESG aspects with relatively large market capitalization and high liquidity. It is a jointly developed index with the Indonesian Biodiversity Foundation (KEHATI Foundation).

SRI KEHATI

An index that measures the stock price performance of 25 listed companies, selected by KEHATI Foundation, that have good performance in encouraging sustainable businesses, as well as having an awareness of the environment, social, and good corporate governance or called Sustainable and Responsible Investment (SRI). SRI-KEHATI is a jointly developed index with the Indonesian Biodiversity Foundation (KEHATI Foundation).

IDX ESG Leaders

An index that measures price performance of stocks that become leaders in ESG rating and do not have significant controversies selected from stocks with high trading liquidity and good financial performance. The ESG rating and controversy analysis is developed by Sustainalytics.

ESG Star Listed Company

Indonesia Stock Exchange Listed Companies that were selected as the best company in terms of implementing good corporate governance and sustainable growth. The selection is based on the main ESG indices: IDYESGL, SRI-KEHATI, ESG Sector Leaders IDX Kehati, and ESG Quality 45 IDX Kehati. The list of 7 selected companies can be accessed on the following link: <https://esg.idx.co.id/companies>

Please contact us for further information on:

ir@akr.co.id

corporate.secretary@akr.co.id

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 Sri-Kehati Index, IDX ESG leaders index and included in ESG Quality 45 IDX KEHATI and other indices of the Indonesian stock exchange,

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