



For Immediate release

6 September 2021

## PT Freeport Indonesia signs Agreement for Port construction and operations in JIPE Manyar SEZ Port

JAKARTA, September 6, 2021 – PT Berlian Kawasan Manyar Sejahtera (BMS) operator of JIPE Manyar Sea Port (affiliate of PT AKR Corporindo Tbk: AKRA.IJ) and PT Freeport Indonesia (PTFI) have signed agreement for Port facilities in JIPE Sea port in Manyar, Gresik, East Java. PT Freeport Indonesia which is building 1.7 Million Metric Ton Copper Smelter and Precious Metal refinery in Java Integrated and Industrial Port Estate (JIPE- SEZ) intends to use the Port Jetty Facility to be constructed by BMS for loading and unloading of PTFI's goods exclusively including installation of Equipment to support loading and unloading activities of PTFI's vessels.

Freeport is building copper smelter and refineries (CSR) as well as ancillary infrastructure and related including power, oxygen, water and sewage treatment, Conveyor Lines and pipelines and PTFI Pier, to process copper concentrate and produce copper cathode and by-products; Freeport precious metal refinery to be constructed shall process anode slimes produced by CSR as a by-product of copper concentrate processing

To support the operation of these facilities BMS will build facilities such as wharf structure for PTFI Jetty, Piers, Trestle, Bridge and Seawater Intake Building on BMS Reclamation which has already been completed; BMS shall also to operate the PTFI Wharf to handle all the vessels of PTFI for the Smelter Project.

The Agreement for construction and use of BMS Infrastructure was signed on September 3rd 2021 by Mr I Putu Sukadana President Director and Ms Dewi Djunaidi Finance Director of BMS and Mr Clayton Allen Wenas President Director, PTFI; The agreement is for a period of 40 years, whereby BMS grants PTFI the exclusive right to use and access the BMS infrastructure during that period to support the construction and operation of the Copper Smelter and Precious Refinery project in the JIPE Gresik SEZ.



*Illustration of PTFI port infrastructure requirement in the SEZ JIPE Gresik*

Speaking after the signing ceremony, President Director of AKRA, Mr. Haryanto Adikoesoemo, stated, "Today, we have taken another major step in cementing relationship between JIPE and PTFI. We are working together to ensure completion of PTFI project on time and its smooth commercial operations.

Connectivity is one of the key competitive strengths of JIPE. The Port is the deepest in East Java with -16 LWS, 4 multifunction piers with 6,200 meters of berth, which are expected to be able to serve large vessels with loads of more than 100,000 DWT. International and domestic access is accommodated with sea, toll and train connectivity."

Earlier, PTFI on August 27, 2021 had signed 80 years land lease agreement to build copper smelter and precious metal refinery and ancillary infrastructure and related facilities in SEZ JIPE;

SEZ JIPE Gresik, East Java is a joint venture between AKRA and PELINDO III and is one of major Public Private Partnership in Indonesia. It is built with a total area of 3,000 ha that comprises an industrial area of 1,761 ha, a deep seaport of 400 ha, and a modern residential area of 800 ha.

Haryanto Adikoesoemo  
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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. 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.

#### **Java Integrated Industrial Port Estate**

Java Integrated Industrial Port Estate ("JIPE") is a project that is designed to be one of the largest integrated industrial, residential, and deep seaport estates with development area totaling 3,000 ha. This project through PT Berkah Kawasan Manyar Sejahtera ("BKMS") will develop the industrial estate, while its sister company PT Berlian Manyar Sejahtera ("BMS") will handle the seaport operations and PT AKR Land Development (an affiliate of AKR) will develop the residential estate. AKR indirectly owns 60% of the company through UEPN, while Pelindo III indirectly owns 40% through BJTI. JIPE aims to become a strategically located industrial estate, complete with supporting facilities and infrastructure. In addition to a deep-water port in the complex, the location has direct access to the major toll road network that connects most cities in East Java, arterial road, railway system and air transport access (Juanda International Airport). The estate is also located 30 kilometers from the city of Surabaya, the second largest city in Indonesia.

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