



For Immediate Release

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Ministry of Finance of the Republic of Indonesia and PT. AKR Corporindo Tbk. sign Subsidized Energy Contract for Fiscal Year 2024

Jakarta, 14th March 2024 – PT. AKR Corporindo Tbk. and the Indonesian Ministry of Finance signed the Subsidized Energy Contract for the 2024 Fiscal Year today. The signing was represented by President Director of PT AKR Corporindo Tbk, Mr Haryanto Adikoesoemo and Director of Non-Tax State Revenue from Natural Resources and Separated State Assets – Penerimaan Negara Bukan Pajak Sumber Daya Alam dan Kekayaan Negara Dipisahkan (PNBP SDA & KND) of the Ministry of Finance of the Republic of Indonesia , Rahayu Puspasari, witnessed by Director General of Budget of the Ministry of Finance of the Republic of Indonesia, Isa Rachmatarwata.

The distribution of subsidized energy carried out by the government through PT AKR Corporindo Tbk. This aims to provide access to energy at affordable, equitable and fair prices to people in need throughout the Republic of Indonesia, so that people's purchasing power is expected to continue to be well maintained.

" Subsidy has become vital element for our country. This program allows Government to show its presence by supporting communities directly to deal with price fluctuation, availability of fuel supplies and other challenges." explained the Director General of Budget.



Mr. Haryanto Adikoesoemo, President Director of PT. AKR Corporindo Tbk. and Mrs. Rahayu Puspasari, Director of PNBP SDA & KND, Ministry of Finance of the Republic of Indonesia, witnessed by Mr. Isa Rachmatarwata as Director General of Budget, Ministry of Finance of the Republic of Indonesia

He added that the government always strives to distribute energy subsidies in a targeted manner. "Right now, we are also working on how we can better target the distribution of subsidies, particularly for diesel, Pertalite and other fuel in Pertamina, and diesel in AKR . Hopefully we can make it happen in the near future. This is not just to reduce the amount of subsidies. We are actually trying to ensure that this is received by the right parties," he added.

AKR Corporindo expressed its readiness to accept assignments from the Government, "We thank the Government for trusting AKR continuously as a partner in distributing subsidized fuel since 2010. With the strength of the logistics infrastructure and IT monitoring system, as well as the experience we have, we are ready to distribute subsidized diesel to people who need it according to the assignment," said Haryanto Adikoesomo.

He added, PT. AKR Corporindo Tbk. has experience and is trusted in the field of supply chain logistics services for the procurement of Energy and Basic Chemical products in Indonesia. The company has been operating since 1960 and has built end to end supply chain logistics infrastructure including storage tanks, trucks and ships, reaching 17 sea and river ports in Indonesia. With its strength and experience, the Company is committed to distributing subsidized fuel in accordance with the Assignment Decree from BPH Migas No.90/P3JBT/BPH MIGAS/KOM/2023 concerning the Assignment of Provision and Distribution of Volume Quotas for Distribution of Special Types of Oil Fuel by PT. AKR Corporindo Tbk in 2024 with a total diesel oil quota of 167,515 Kilo liters.

PT. AKR Corporindo Tbk. together with the Government, we strive to continue to improve supervision so that the distribution of subsidized energy is on target and in the right volume. In this case, the Company is also developing a system at SPBKB (fuel filling station for motor vehicles) and SPBN (fuel filling station for fishermen), where all subsidized energy distribution transactions can be supervised jointly by the Government and PT AKR Corporindo Tbk.

The Company also greatly appreciates the support of the Ministry of Finance as the Government's representative in improving the governance of subsidy and compensation payments, so that the distribution of subsidized energy from PT AKR Corporindo Tbk is sustainable. to the community can continue to be maintained.

Corporate Secretary
PT AKR Corporindo Tbk

For more information please contact :

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 petroleum 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, SRI Kehati Index, ESG LQ 45 index and other indices of the Indonesian stock exchange,

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