



December 1, 2021

Minister of Trade of the Republic of Indonesia Sends off Shipments of PT APR's Viscose Rayon for Domestic and Global Markets

APR is expected to contribute to efforts to boost Indonesia's exports

PANGKALAN KERINCI, 1 December 2021 – Minister of Trade of the Republic of Indonesia Muhammad Lutfi on Wednesday (1/12/2021) symbolically sent off shipments of viscose rayon produced by PT Asia Pacific Rayon (APR) for the domestic and global markets in a ceremony in Pangkalan Kerinci, Pelalawan Regency, Riau Province.

The shipment of viscose rayon fiber for export was marked by the sending off of several container trucks by the Minister of Trade who was accompanied by Riau Deputy Governor Edy Natar Nasution, Pelalawan Regent Zukri Misran, RGE Managing Director Anderson Tanoto, APRIL Group COO Eduward Ginting and APR Director Basrie Kamba.



As of the end of October, sales of viscose rayon fiber have reached 111.01 kilo tons for the export market and 77.51 kilo tons for the domestic market. The Minister of Trade also saw the sending off of PaperOne™ paper produced by PT Riau Andalan Pulp and Paper

(RAPP). The product has been sold to more than 75 countries with total exports of more than 755 kilo tons.

Lutfi welcomed APR's presence, which he likened to an Indonesian jewel that must be maintained so that it can become a sustainable company and compete regionally and globally in the future.

“Congratulations to APR for selling their products both domestically and globally. This is what we aspire to do, and the Ministry of Trade will maintain a good trade condition to facilitate companies seeking to penetrate the global market while maintaining the sustainability of Indonesian products,” said Lutfi.

Lutfi also drew attention to the current difficult situation facing global trade and the fact that countries mistrust each other. A number of European countries have also passed laws requiring countries that export products to their countries to undergo due diligence to ensure that the products are sourced from sustainable forests.

“For this reason, I am here at APR because I believe that Indonesia can and is responsible not only for Indonesian goods but also for the forests which are the foundation of the life of the Indonesian people in the present and in the future,” he added.

APR produces high value-added products such as viscose rayon fiber or Viscose Staple Fiber (VSF), a biodegradable synthetic fiber made from wood fibers that have characteristics similar to cotton. VSF is the raw material for making yarn, which is then made into clothes, garments and household items.



Riau Deputy Governor Edy Natar Nasution said the sending off of the viscose rayon for export signified the rise of Riau's economy. Edy said that Riau Province recorded an investment realization of Rp39.543 trillion namely Domestic investment (PMDN) accounted for Rp17.763 trillion of the total and foreign investment (PMA) US\$1.491.8 or Rp21.780 trillion. Thus both amounts was 81 percent of the target set by the Riau Investment/BKPM for 2021, at Rp48.6 trillion.

The Riau Provincial Government fully supports the business world's efforts to increase investment and stimulate the regional economy as well as improve the welfare of the local community. The shipments of the export products have created a sustainable momentum for a further increase in exports.

"The factory's presence is RAPP's and APR's investment in rayon production. The factory is an expansion of RAPP, which previously only engaged in the pulp and paper industry. With this factory, Riau will not only become the center of the pulp and paper industry but also rayon as a textile raw material," he said.

The rayon factory can be the mainstay of the production of textile raw materials on a global scale. Investment in the factory supports the government's agenda for a national textile industry strategy.



"We all hope that the rayon factory in Riau can increase the province's gross domestic product from the non-oil and gas sector by 1.49% and encourage the development of small and medium-scale industries in several business sectors involved in the factory's operations. This can have a chain effect for sustainable economic development in Riau," he said.

APRIL COO Eduward Ginting said that although the world is currently under a lot of pressure due to the COVID-19 pandemic, the production and marketing of APR's viscose rayon fiber still follows a positive trend in terms of performance. This is made possible by the support of various parties, especially the local community, the Pelalawan Regency Government, the Riau Provincial Government and the Central Government, including the Ministry of Trade.

"The sending off of the shipping containers of viscose rayon for export for the domestic and global markets signifies APR's new achievement in its effort to strengthen the national textile industry while reducing dependence on imports of textile raw materials," said Eduward.

Eduward added that since its inauguration by President Joko Widodo in February 2020, APR, now in the third year of operations, has become an integrated viscose rayon manufacturing facility with dissolving pulp derived from 100% renewable fiber from the industrial forest plantations (HTI) owned by Asia Pacific Resources International Holdings Limited (APRIL).

"APR has also entered the global textile market with breathable, light, soft and certified 100% natural viscose rayon that is superior to other textile raw materials because it is biodegradable. This is what makes us optimistic that Indonesia can become a global hub of modest fashion," he added.

APR produces 300,000 tons of viscose rayon fiber per year and exports the product to 22 countries. Currently, APR is also preparing for the second phase of construction and doubling its production capacity to 600,000 tons per year by 2023.

APR is a company that is committed to supporting the government's vision to encourage export-oriented national production. Viscose rayon is a textile raw material produced domestically with an increasingly prospective global market potential in line with the increasing trend of sustainable fashion.

About Asia Pacific Rayon:

Asia Pacific Rayon is Asia's first fully integrated producer of viscose rayon from renewable industrial park forests. The factory with a capacity of 240,000 tons, located in Pangkalan Kerinci, Riau, uses the latest production technology to produce high quality rayon for textiles and personal hygiene products. APR is committed to being a leading viscose rayon producer that adheres to the principles of sustainability, transparency and operational efficiency, serves the interests of society and the country, and provides value to customers.

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