

**MARKET REACTION TO THE ANNOUNCEMENT OF ENERGY ASSET
INTEGRATION: AN EVENT STUDY OF PT CHANDRA ASRI PACIFIC TBK.
(TPIA) SHARES**

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ABSTRACT

This study aims to analyze market reactions to the announcement of PT Chandra Asri Pacific Tbk.'s (TPIA) energy asset integration through the completion of the acquisition of Shell Energy and Chemicals Park in Singapore, which was integrated into Aster Chemicals and Energy. This research applies a quantitative approach using an event study method. The data consist of TPIA daily stock prices, market index data, trading volume, outstanding shares, and the official corporate announcement date. The event window covers five trading days before and five trading days after the effective event date. April 8, 2025, is used as the effective event date because it represents the first trading day after the transaction announcement and the stock exchange holiday period. Market reaction is measured using abnormal return, cumulative abnormal return, and trading volume activity. The results show a positive abnormal return of 7.90% on the effective event date and a positive cumulative abnormal return of 3.34% at the end of the event window. However, the paired sample t-test indicates no significant difference in abnormal return before and after the announcement, with a significance value of 0.763. The trading volume activity test also shows no significant difference, with a significance value of 0.449. These findings indicate that the energy asset integration announcement contains information descriptively, but it does not generate a strong and statistically consistent short-term market reaction. This study contributes to financial accounting, capital market, and sustainability accounting literature by explaining investor responses to strategic corporate actions related to business transformation and sustainability.

Keywords: Market Reaction, Event Study, Abnormal Return, TPIA, Energy Asset Integration

ABSTRAK

Penelitian ini bertujuan untuk menganalisis reaksi pasar atas pengumuman integrasi aset energi PT Chandra Asri Pacific Tbk. (TPIA) melalui penyelesaian akuisisi Shell Energy and Chemicals Park di Singapura yang terintegrasi dalam Aster Chemicals and Energy. Penelitian ini menggunakan pendekatan kuantitatif dengan metode studi peristiwa. Data yang digunakan berupa harga saham harian TPIA, indeks pasar, volume perdagangan, jumlah saham beredar, dan tanggal pengumuman resmi perusahaan. Periode jendela peristiwa ditetapkan selama lima hari perdagangan sebelum dan lima hari perdagangan sesudah tanggal peristiwa efektif. Tanggal 8 April 2025 digunakan sebagai event date efektif karena merupakan hari perdagangan pertama setelah pengumuman transaksi dan masa libur bursa. Reaksi pasar diukur melalui abnormal return, cumulative abnormal return, dan trading volume activity. Hasil penelitian menunjukkan bahwa pada hari peristiwa efektif terdapat abnormal return positif sebesar 7,90% dan cumulative abnormal return pada akhir periode jendela bernilai positif sebesar 3,34%. Namun, hasil uji paired sample t-test menunjukkan tidak terdapat perbedaan signifikan abnormal return sebelum dan sesudah pengumuman dengan nilai signifikansi

0,763. Hasil uji trading volume activity juga menunjukkan tidak terdapat perbedaan signifikan dengan nilai signifikansi 0,449. Temuan ini menunjukkan bahwa pengumuman integrasi aset energi memiliki kandungan informasi secara deskriptif, tetapi belum menghasilkan reaksi pasar yang kuat dan konsisten secara statistik dalam jangka pendek. Penelitian ini memberikan kontribusi pada kajian akuntansi keuangan, pasar modal, dan sustainability accounting, khususnya dalam memahami respons investor terhadap aksi korporasi strategis yang berkaitan dengan transformasi bisnis dan keberlanjutan.

Kata Kunci: Reaksi Pasar, Studi Peristiwa, Abnormal Return, TPIA, Integrasi Aset Energi

I. INTRODUCTION

Background

The capital market is an economic mechanism that is highly sensitive to information. Investors do not only assess periodic financial statements, but also pay attention to strategic information announced by companies, such as changes in business direction, acquisitions, asset integration, regional cooperation, and financing linked to sustainability agendas. Such corporate information may influence investor perceptions of growth prospects, risk, governance, and firm value. In this context, corporate action announcements may be viewed as signals that reduce or even increase information uncertainty in the market.

This phenomenon is relevant in the case of PT Chandra Asri Pacific Tbk. (TPIA). Since early 2024, the company has strengthened its identity through a name change from PT Chandra Asri Petrochemical Tbk. to PT Chandra Asri Pacific Tbk. This change is not merely administrative, but also reflects the expansion of the company's business focus from petrochemicals toward chemical, energy, and infrastructure solutions. This transformation was subsequently followed by a strategic corporate action, namely the completion of the acquisition of Shell Energy and Chemicals Park in Singapore through Aster Chemicals and Energy in April 2025. This action is important because it marks the company's regional expansion and may influence investor expectations regarding business scale, operational synergy, integration risk, and the company's sustainability prospects.

In capital market studies, value-relevant information is generally reflected in stock price changes, abnormal return, cumulative abnormal return, or stock trading activity. However, not every strategic announcement generates a positive response. Investors may interpret energy asset integration as a growth opportunity and a strengthening of the value chain, but they may also view it as a new source of risk because asset expansion requires integration capability, financing, operational governance, and adaptation to energy transition risk. Therefore, empirical testing is needed to determine whether TPIA's energy asset integration announcement actually generated a short-term market reaction.

This study lies at the intersection of financial accounting, capital markets, and sustainability accounting. Sustainability information is no longer regarded as stand-alone nonfinancial information, but is increasingly connected to financing strategy, risk perception, corporate reputation, and expectations of future value. The Financial Services Authority of Indonesia (Otoritas Jasa Keuangan, 2021) also places the development of a sustainable finance ecosystem as an important part of financial sector transformation. Thus, examining market reactions to TPIA's energy asset integration can provide insight into how investors evaluate strategic corporate actions within the context of business transformation and sustainability agendas.

Research Questions

1. Is there an abnormal return of TPIA shares around the announcement of energy asset integration through Aster Chemicals and Energy?
2. Is there a difference in TPIA abnormal return before and after the energy asset integration announcement?
3. Is there a difference in TPIA trading volume activity before and after the energy asset integration announcement?
4. How can the market reaction be interpreted in relation to signaling theory, efficient market theory, and previous studies?

Research Objectives

This study aims to analyze market reactions to the announcement of PT Chandra Asri Pacific Tbk.'s energy asset integration through the completion of the acquisition of Shell Energy and Chemicals Park in Singapore, which was integrated into Aster Chemicals and Energy. Specifically, this study aims to measure abnormal return, cumulative abnormal return, and trading volume activity of TPIA shares around the event date, to test differences in market reactions before and after the announcement, and to explain the findings through signaling theory, efficient market theory, and sustainability accounting literature.

Research Contribution

Theoretically, this study contributes to the development of event study research in the Indonesian capital market, particularly in the context of corporate actions related to energy asset integration and sustainability transformation. Practically, this study may provide input for issuers in communicating strategic information more transparently and measurably, and it may serve as a consideration for investors in assessing corporate actions that bring not only growth opportunities, but also implementation risks.

II. THEORETICAL REVIEW

Signaling Theory and Market Reaction

Signaling theory explains that corporate management can convey information to the market through strategic decisions and announcements. Such information becomes a signal for investors when it contains messages regarding prospects, risks, management quality, or the direction of corporate policy. In the capital market context, investors respond to signals perceived as credible through stock price adjustments or increased trading activity. Conversely, ambiguous signals or signals that are not supported by sufficient information may generate weak, negative, or insignificant reactions.

Aalbers, McCarthy, and Heimeriks (2021) show that the market does not only pay attention to the existence of an acquisition announcement, but also to the strategic rationale and context of the acquisition. In other words, the market is more likely to respond to a corporate action when investors can understand why the action was taken and how it supports the company's strategy. This framework is relevant for interpreting TPIA's energy asset integration because investors may assess whether the integration strengthens the value chain, expands business scale, or instead increases operational complexity.

Efficient Market Theory and Event Study

Efficient market theory states that security prices reflect information available in the market. In its semi-strong form, stock prices adjust to newly announced public information. Therefore, market reaction to an announcement can be observed through changes in stock returns around the event date. If abnormal return occurs, the announcement can be considered to contain information that investors take into account.

An event study is a method used to test the information content of an announcement. In this study, event study is used to analyze market reactions to TPIA's energy asset integration announcement. The indicators used are abnormal return, cumulative abnormal return, and trading volume activity. Abnormal return reflects price reaction, cumulative abnormal return captures the accumulated reaction over the event window, while trading volume activity shows market response in terms of trading intensity.

Sustainability Accounting and Sustainable Financing

Sustainability accounting emphasizes that environmental, social, and governance information can influence stakeholders' economic decisions. In modern capital markets, ESG information is not only used for reporting purposes, but is increasingly associated with access to financing, reputation, risk perception, and corporate legitimacy. The Financial Services Authority of Indonesia (Otoritas Jasa Keuangan, 2021) emphasizes that the development of sustainable finance requires the integration of environmental, social, and governance aspects into the financial ecosystem.

Recent literature shows that market responses to sustainability information and green financing instruments are not uniform. Flammer (2021) finds that green bonds can function as signals of corporate environmental commitment. Poggensee (2025) shows that sustainability-linked bond announcements can generate positive cumulative abnormal returns in the short term. However, Auzepy, Bannier, and Martin (2023) caution that sustainability-linked loans do not always generate credible sustainability incentives when the performance indicators are not sufficiently robust. Wang, Hu, and Zhong (2023) also show that ESG disclosure may be negatively received when investors estimate that compliance costs outweigh transparency benefits.

Previous Studies

Recent national studies over the last five years show that market reactions to corporate information and strategic events are not always the same. Agustin (2022) examined market reactions to the merger of Bank Syariah Indonesia using abnormal return and trading volume activity in BRIS shares. The study found no difference in abnormal return before and after the merger, but it found a difference in trading volume activity. This finding is important for the present study because it shows that a major corporate action may be more strongly reflected in trading activity than in stock price changes.

Haryanto and Lina's (2023) study on stock split announcements of companies listed on the Indonesia Stock Exchange also shows that market responses may differ across indicators. The study found a difference in abnormal return before and after the stock split, while trading volume activity, stock price, bid-ask spread, and systematic risk showed no significant differences. This result strengthens the argument that abnormal return and trading volume activity need to be used together because they capture different aspects of market reaction, namely price reaction and transaction liquidity reaction.

In the context of nonfinancial and sustainability information, Faidah and Bandi (2022) found that the tone of earnings announcements positively affects market reaction as proxied by cumulative abnormal return, while corporate social responsibility does not moderate the relationship. Ardian and Sari (2024), in a study of IDX ESG Leaders companies, show that ESG and CSR as nonfinancial information can be used by investors, but investor response is not always positive because ESG disclosure was found to be negatively related to stock abnormal return and trading volume activity. These results indicate that sustainability information can serve as a signal, but the strength of the signal is strongly influenced by credibility, perceived risk, and investors' ability to connect ESG information with the company's economic benefits.

Other recent national studies also show patterns that are consistent with the results of this study. Krisna and Wirawati (2025) found that stock split announcements did not generate differences in abnormal return for IDX80 and non-IDX80 companies, but generated differences in trading volume activity. Munawarah et al. (2025) found that boycott, divestment, and sanction events generated differences in abnormal return and trading volume activity, indicating that even nonfundamental events can trigger market reactions when they contain strong information content. Accordingly, this study is positioned within a research gap in which market responses to energy asset integration announcements by major sustainability-oriented issuers have not been widely examined in the Indonesian capital market context.

Table 1. Summary of Relevant Previous National Studies

No	Researcher	Research Focus	Variables/ Indicators	Main Findings	Relevance to This Study
1	Agustin (2022)	Merger of Bank Syariah Indonesia	Abnormal return and trading volume activity	No difference in abnormal return, but a difference in trading volume activity.	Shows that major corporate actions are not always reflected in prices, but may appear in trading activity.
2	Haryanto & Lina (2023)	Stock split of IDX-listed companies	Abnormal return, TVA, stock price, bid-ask spread,	There was a difference in abnormal return, while several other	Supports the use of multiple market reaction indicators

			and systematic risk	market indicators were not significantly different.	simultaneously.
3	Faidah & Bandi (2022)	Earnings announcement tone, CSR, and market reaction	Cumulative abnormal return	Earnings announcement tone affects market reaction, while CSR does not strengthen the relationship.	Confirms the importance of the quality of corporate information signals.
4	Ardian & Sari (2024)	ESG, CSR, and investor reaction in IDX ESG Leaders	Stock abnormal return and TVA	ESG disclosure is not always positively received by the market.	Provides a comparison for interpreting market response to TPIA sustainability-related information.
5	Krisna & Wirawati (2025)	Stock split in IDX80 and non-IDX80 indices	Abnormal return and TVA	No difference in abnormal return, but a difference in TVA.	Shows that price response and volume response may move differently.
6	Munawarah et al. (2025)	Boycott, divestment, and sanction event	Abnormal return and TVA	There were differences in abnormal return and TVA before and after the event.	Confirms that nonfundamental events can trigger market reactions when their information content is strong.

Source: processed by the researchers (2026).

Differences in prior findings indicate that market responses to strategic and sustainability-related information depend strongly on the type of event, information credibility, market conditions, issuer characteristics, and investor perceptions of risks and economic benefits. Therefore, this study does not merely test whether differences exist in abnormal return and trading volume activity, but also interprets the meaning of market responses through signaling theory, efficient market theory, and sustainability accounting.

Conceptual Framework

The conceptual framework of this study is built on the assumption that the energy asset integration announcement is a corporate signal that can influence investor perceptions. If the announcement is perceived as credible and supportive of the company's prospects, the market may respond positively through abnormal return or increased trading volume activity. Conversely, if the announcement is perceived as creating uncertainty, integration risk, or energy transition risk, the market response may be negative or insignificant.

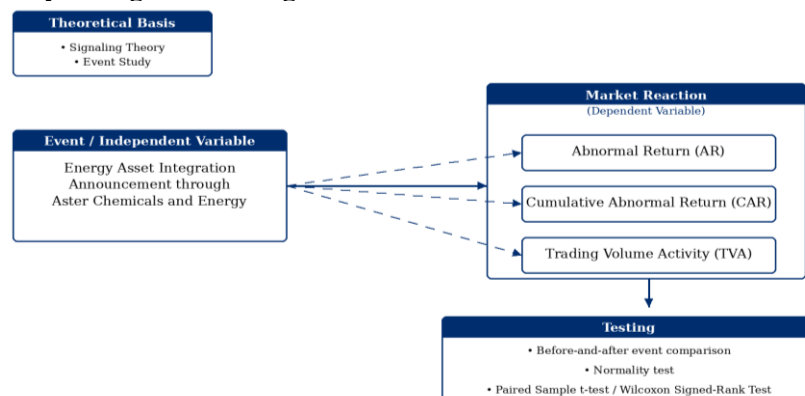


Figure 1. Conceptual Framework

Source: processed by the researchers (2026).

Hypotheses

H1: There is a difference in TPIA abnormal return before and after the energy asset integration announcement.

H2: There is a difference in TPIA trading volume activity before and after the energy asset integration announcement.

III. RESEARCH METHOD

Research Type and Approach

This study uses a quantitative approach with an event study method. The quantitative approach is used because the study examines market reactions through numerical data in the form of stock prices, stock returns, market indices, trading volume, and outstanding shares. The event study method is selected because this study focuses on testing the information content of the energy asset integration announcement published by the company.

Research Object and Location

The object of this study is the shares of PT Chandra Asri Pacific Tbk., with the ticker code TPIA, listed on the Indonesia Stock Exchange. The research location is the Indonesian capital market, with a focus on TPIA share trading data around the announcement of the completion of the acquisition of Shell Energy and Chemicals Park through Aster Chemicals and Energy.

Population and Sample

The population in this study consists of all TPIA share trading data on the Indonesia Stock Exchange. The sample is determined using purposive sampling, namely TPIA stock price and trading volume data during the event window. The event window is set at five trading days before and five trading days after the effective event date; therefore, the total number of observations analyzed is eleven trading days. For the difference test, H0 data are not included in the paired test because the paired sample t-test compares H-5 to H-1 with H+1 to H+5.

Data Sources and Data Collection Technique

The data used in this study are secondary data. The data were obtained through documentation and literature study, including TPIA daily stock prices, the Jakarta Composite Index as a proxy for market return, stock trading volume, outstanding shares, the official corporate announcement date, and relevant company publications and capital market sources. The announcement of the completion of the acquisition of Shell Energy and Chemicals Park was published on April 1-2, 2025, while the effective event date was set on April 8, 2025, because it was the first trading day after the stock exchange holiday period.

Operational Definition of Variables

Market reaction in this study is measured through abnormal return, cumulative abnormal return, and trading volume activity. The operational definitions and measurement formulas are presented in Table 2.

Table 2. Operational Definition of Research Variables

No	Variable	Operational Definition	Indicator/Measurement	Formula	Scale
1	Actual Return	The actual gain or loss rate of TPIA shares based on daily closing price changes.	Change in TPIA closing price from the previous day to the observation day.	$R_{it} = (P_{it} - P_{it-1}) / P_{it-1}$	Ratio
2	Market Return	The market return used as a comparison for TPIA stock return.	Change in the Jakarta Composite Index from the previous day to the observation day.	$R_{mt} = (JCI_t - JCI_{t-1}) / JCI_{t-1}$	Ratio
3	Expected Return	The expected return of TPIA shares based on the market-adjusted model.	Market return during the observation period.	$E(R_{it}) = R_{mt}$	Ratio
4	Abnormal	The difference between	Difference between	$AR_{it} = R_{it} -$	Ratio

	Return	TPIA actual return and expected return.	TPIA actual return and market return.	$E(R_{it})$ or AR_{it} $= R_{it} - R_{mt}$	
5	Cumulative Abnormal Return	The accumulated abnormal return of TPIA shares over the event window.	Sum of abnormal return from H-5 to H+5.	$CAR_{it}(t1,t2) = \sum AR_{it}$	Ratio
6	Trading Volume Activity	Stock trading activity showing the proportion of TPIA shares traded relative to outstanding shares.	Ratio of TPIA trading volume to outstanding shares.	$TVA_{it} = \frac{\text{Traded share volume}_{it}}{\text{Outstanding shares}_{it}}$	Ratio
7	Event Date	The main event date used as the observation point in the event study.	The first effective trading day after the announcement.	$t = 0$	Nominal
8	Event Window	The observation period before and after the event date used to test market reaction.	H-5 to H+5 trading days.	$t = -5, \dots, 0, \dots, +5$	Nominal

Source: processed by the researchers (2026).

Data Analysis Technique

Data analysis was carried out through several stages. First, the effective event date was determined. Second, actual return, market return, abnormal return, cumulative abnormal return, and trading volume activity were calculated. Third, the normality test was performed using Shapiro-Wilk because the number of observations was relatively small. Fourth, the difference test was conducted using a paired sample t-test if the data were normally distributed or the Wilcoxon signed-rank test if the data were not normally distributed. Fifth, the test results were interpreted based on signaling theory, efficient market theory, and sustainability accounting literature.

IV. RESULTS AND DISCUSSION

Description of the Research Event

This study analyzes market reactions to PT Chandra Asri Pacific Tbk.'s energy asset integration announcement through the completion of the acquisition of Shell Energy and Chemicals Park in Singapore. The transaction was carried out through CAPGC Pte. Ltd., a joint venture between Chandra Asri Capital Pte. Ltd. and Glencore Asian Holdings Pte. Ltd. The acquisition was made through the purchase of shares in Aster Chemicals and Energy Pte. Ltd. This event was selected because it contains strategic information related to regional expansion, value chain strengthening, and the potential increase in the company's business scale.

Table 3. Description of the Research Event

Item	Description
Issuer	PT Chandra Asri Pacific Tbk.
Ticker code	TPIA
Type of event	Energy asset integration through the completion of the acquisition of Shell Energy and Chemicals Park
Integrated entity	Aster Chemicals and Energy Pte. Ltd.
Announcement date	April 1-2, 2025
Effective event date	April 8, 2025
Event window	H-5 to H+5 trading days
Market reaction indicators	Abnormal return, cumulative abnormal return, and trading volume activity

Source: processed by the researchers (2026).

April 8, 2025, is used as the effective event date because it was the first trading day after the transaction announcement in early April 2025 and the stock exchange holiday period. Therefore, the use of this effective date is intended to capture market reaction when investors first had the opportunity to trade after the acquisition information was publicly available.

Calculation Results of Abnormal Return, CAR, and TVA

Data processing was conducted by calculating TPIA actual return, market return based on the Jakarta Composite Index, abnormal return, cumulative abnormal return, and trading volume activity. Abnormal return was calculated using the market-adjusted model, while trading volume activity was calculated by comparing stock trading volume with outstanding shares. The calculation results are presented in Table 4.

Table 4. Calculation Results of Return, Abnormal Return, CAR, and TPIA TVA

Day	Date	TPIA Return	JCI Return	Abnormal Return	CAR	TVA
H-5	March 21, 2025	2.84%	-1.94%	4.77%	4.77%	0.07799%
H-4	March 24, 2025	-2.41%	-1.55%	-0.86%	3.91%	0.04920%
H-3	March 25, 2025	-4.24%	1.21%	-5.45%	-1.54%	0.01351%
H-2	March 26, 2025	5.17%	3.80%	1.37%	-0.17%	0.01672%
H-1	March 27, 2025	1.05%	0.59%	0.46%	0.29%	0.01188%
H0	April 8, 2025	0.00%	-7.90%	7.90%	8.19%	0.02769%
H+1	April 9, 2025	-6.60%	-0.47%	-6.13%	2.07%	0.02092%
H+2	April 10, 2025	1.12%	4.79%	-3.68%	-1.61%	0.03218%
H+3	April 11, 2025	2.57%	0.13%	2.44%	0.83%	0.01721%
H+4	April 14, 2025	0.36%	1.70%	-1.34%	-0.51%	0.01463%
H+5	April 15, 2025	5.00%	1.15%	3.85%	3.34%	0.03038%

Source: processed by the researchers (2026).

Based on Table 4, TPIA abnormal return shows a fluctuating pattern during the event window. On the effective event day or H0, abnormal return was recorded at a positive 7.90%. This value indicates that on the first trading day after the energy asset integration announcement, TPIA shares performed relatively better than the Jakarta Composite Index. Although TPIA's actual return on H0 did not change, the JCI experienced considerable pressure, causing TPIA abnormal return to become positive. This condition indicates that the market did not exert immediate negative pressure on TPIA shares on the first day the Aster/Shell acquisition information was traded again.

However, on H+1 and H+2, abnormal return turned negative at -6.13% and -3.68%, respectively. This suggests that after the relatively positive initial response on H0, the market began adjusting to the risks and strategic implications of the energy asset integration. On H+3 and H+5, abnormal return returned to positive territory, while H+4 showed a negative value. Cumulatively, CAR at the end of the H+5 period was positive at 3.34%. Thus, descriptively, the market still showed a positive cumulative reaction to the energy asset integration event, although the daily pattern was unstable.

Furthermore, the trading volume activity results show that TPIA share trading activity before and after the event did not experience a strong and consistent increase. The highest TVA occurred on H-5 at 0.07799%, while on the effective event day H0, TVA was recorded at 0.02769%. After the event, TVA moved fluctuatively and remained in a relatively moderate range. This indicates that the energy asset integration announcement attracted investor attention, but it did not generate a dominant increase in trading volume compared to the pre-event period.

Normality Test Results

The normality test was conducted to determine the type of difference test to be used. If the data are normally distributed, the difference before and after the event is tested using the paired sample t-test. Conversely, if the data are not normally distributed, the Wilcoxon signed-rank test is used. The normality test results are presented in Table 5.

Table 5. Shapiro-Wilk Normality Test Results

Variable	Period	Sig.	Description
Abnormal Return	Before event	0.891	Normal
Abnormal Return	After event	0.764	Normal
Trading Volume Activity	Before event	0.113	Normal
Trading Volume Activity	After event	0.374	Normal

Source: processed by the researchers (2026).

Based on Table 5, all Shapiro-Wilk significance values are above 0.05. Therefore, the abnormal return and trading volume activity data before and after the event can be stated as normally distributed. Accordingly, the test of differences in market reaction before and after the announcement was conducted using the paired sample t-test.

Difference Test Results

The difference test was conducted to determine whether there were differences in abnormal return and trading volume activity before and after the energy asset integration announcement. The test compared five trading days before the event with five trading days after the event, while H_0 was used as the event point and was not included in the paired difference test. The difference test results are presented in Table 6.

Table 6. Paired Sample t-Test Results

Variable	Mean Before	Mean After	Sig.	Description
Abnormal Return	0.06%	-0.97%	0.763	No significant difference
Trading Volume Activity	0.03386%	0.02306%	0.449	No significant difference

Source: processed by the researchers (2026).

Based on Table 6, the significance value of abnormal return is 0.763, which is greater than 0.05. This result indicates that there is no significant difference between abnormal return before and after the energy asset integration announcement. Although abnormal return on the effective event day was positive, statistically the stock price reaction before and after the event was not significantly different. Therefore, the first hypothesis is not supported.

The trading volume activity test also shows a significance value of 0.449, which is greater than 0.05. This means that there is no significant difference between stock trading activity before and after the event. Therefore, the second hypothesis is not supported. The market reaction to TPIA's energy asset integration announcement was not strong enough in terms of stock price changes or trading volume increases in the short term.

Discussion

The results show that the announcement of energy asset integration through Aster Chemicals and Energy generated a positive abnormal return on the effective event day, but did not show a significant difference in abnormal return between the periods before and after the announcement. This finding can be explained through efficient market theory. In a relatively efficient market, stock prices will adjust to new information if the information is perceived to contain economic value. The positive abnormal return on H_0 indicates that the market captured the energy asset integration announcement as relevant information. However, the insignificant difference in abnormal return before and after the announcement indicates that the information was not strong enough to generate consistent short-term price changes.

From the perspective of signaling theory, energy asset integration can be understood as a strategic signal from management to investors. The acquisition of Shell Energy and Chemicals Park assets through Aster sends a message that Chandra Asri Pacific seeks to expand its business scale, strengthen its value chain, and improve its regional position in the chemical, energy, and infrastructure industries. However, the insignificant market reaction indicates that investors did not merely interpret the announcement as a growth opportunity, but also considered asset integration risk, financing needs, energy sector volatility, and uncertainty regarding the realization of economic benefits.

This finding is consistent with Aalbers et al. (2021), who emphasize that market responses to acquisition announcements are influenced by investors' understanding of the strategic rationale and context of the acquisition. In the case of TPIA, energy asset integration is a complex corporate action because it involves cross-border expansion, large-scale energy assets, and changes in the company's portfolio structure. Therefore, although the market showed a positive cumulative response through the final CAR of 3.34%, the insignificant difference test results indicate that investors still need time to assess the economic benefits and integration risks more comprehensively.

The results can also be compared with Poggensee (2025), who found that announcements of sustainability-related financing instruments can generate positive cumulative abnormal returns when the market perceives the information as a signal of the company's strategic commitment. In the TPIA context, the positive final CAR can be interpreted as an indication that the market did not cumulatively reject the energy asset integration information. However, contextual differences should be noted. Poggensee's study focuses on sustainability-linked bonds, while this study focuses on energy asset integration, which contains elements of expansion, operational risk, and energy transition risk.

This finding is also consistent with Auzepy et al. (2023), Wang et al. (2023), and Berdiev (2025), who show that market responses to sustainability information depend strongly on credibility, information quality, and perceived risk. Investors may respond positively to sustainability information when it is perceived as credible and has clear economic benefits. Conversely, market reactions may be weak or insignificant when investors remain uncertain about financial impacts, implementation risks, or greenwashing potential. In the case of TPIA, the insignificant results indicate that the market tended to be cautious and was still waiting for further evidence regarding the company's ability to integrate energy assets, generate operational efficiency, and strengthen financial performance.

The trading volume activity finding reinforces the conclusion that the market reaction was not strong. Theoretically, an increase in trading volume can indicate differences in investor interpretation of a piece of information. However, the results show that the average TVA after the announcement was lower than before the announcement and was not statistically different. This indicates that the energy asset integration announcement did not significantly encourage trading activity. Thus, the market did not show a strong response either in terms of price or trading volume.

When linked to previous national studies, this result is close to Agustin (2022), who found that the merger announcement of Bank Syariah Indonesia did not generate a difference in abnormal return, but affected trading volume activity. In the present study, abnormal return and trading volume activity both showed no significant differences. This difference may occur because the event characteristics tested are different. A merger in Islamic banking directly changes industry structure and attracts retail investor attention, while TPIA's energy asset integration is more complex because it is related to cross-border assets, operational risk, and the long-term realization of synergies.

This finding can also be compared with Haryanto and Lina (2023) as well as Krisna and Wirawati (2025), who show that market reactions to corporate actions are not always simultaneously reflected in abnormal return and trading volume activity. In some cases, the market may react through price but not through volume, or vice versa. Therefore, the insignificant difference test results for TPIA indicate that the market had not yet gained sufficient confidence to make consistent price adjustments or increase trading transactions in the short term.

From the perspective of sustainability information, this result is in line with Ardian and Sari (2024), who show that ESG information is not always positively received by investors and may be perceived as a risk signal when its economic benefits are not clear. This finding is also relevant to Faidah and Bandi (2022), who emphasize the importance of signal quality in corporate announcements. In the case of TPIA, energy asset integration through Aster Chemicals and Energy does signal strategic expansion, but the market still requires further evidence regarding its impact on operational efficiency, profitability, financing structure, and corporate sustainability achievements.

Theoretically, this study strengthens the understanding that not all strategic corporate information immediately generates a significant market reaction. Signaling theory remains relevant in explaining that the energy asset integration announcement is a strategic signal, but the strength of the

signal depends heavily on credibility, clarity of economic benefits, and investor confidence in the company's strategy implementation. Practically, the results imply that companies need to communicate strategic expansion information in a more measurable manner, including its impact on financing structure, revenue prospects, operational risks, and sustainability agendas. For investors, the findings show the importance of evaluating strategic announcements not only from the perspective of growth narratives, but also from the perspective of integration risk and long-term financial impact.

V. CONCLUSION AND SUGGESTIONS

Conclusion

Based on the event study analysis, the announcement of PT Chandra Asri Pacific Tbk.'s energy asset integration through Aster Chemicals and Energy generated a positive abnormal return of 7.90% on the effective event day. Cumulative abnormal return at the end of the event window was also positive at 3.34%, indicating that descriptively the market did not reject the strategic information. However, the paired sample t-test results show no significant difference in abnormal return before and after the announcement, with a significance value of 0.763. The trading volume activity test also shows no significant difference before and after the announcement, with a significance value of 0.449. Therefore, the energy asset integration announcement contains information descriptively, but it has not generated a strong and statistically consistent market reaction in the short term.

Suggestions

Future studies are recommended to use several variations of event windows, such as three, five, and ten days before and after the announcement, to strengthen the robustness of the results. Future researchers may also add the energy sector index, basic materials sector index, or ESG index as comparison benchmarks to determine whether TPIA share reactions are aligned with sector movements. In addition, future research may compare TPIA with other issuers that undertake corporate actions or sustainability financing to obtain a broader picture of market responses to sustainable finance and business transformation in Indonesia.

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