

THIS NOTICE CONTAINS IMPORTANT INFORMATION THAT IS OF INTEREST TO THE REGISTERED AND BENEFICIAL OWNERS OF THE SUBJECT SECURITIES. IF APPLICABLE, ALL DEPOSITORIES, CUSTODIANS AND OTHER INTERMEDIARIES RECEIVING THIS NOTICE ARE REQUESTED TO EXPEDITE THE TRANSMITTAL TO BENEFICIAL OWNERS OF THE SECURITIES IN A TIMELY MANNER.



NOTICE TO NOTEHOLDERS

PT Sri Rejeki Isman Tbk

US\$150,000,000 6.875% Senior Notes due 2024 issued by Golden Legacy Pte Ltd and unconditionally and irrevocably guaranteed by PT Sri Rejeki Isman Tbk

CUSIP Number: 38109KAC9 / Y2749KAC4

ISIN: US38109KAC99 / USY2749KAC46

Common Code: 157922092 / 157922718

(the “2024 Notes”)

US\$225,000,000 7.25% Senior Notes due 2025 issued by PT Sri Rejeki Isman Tbk

CUSIP Number: 69408LAB2 / Y714AGAB8

ISIN: US69408LAB27 / USY714AGAB82

Common Code: 206596945 / 206597208

(the “2025 Notes” and collectively with the 2024 Notes, the “Notes”)

Dear Holders:

We write in relation to the 2024 Notes and the 2025 Notes. We refer to the announcement dated 17 November 2021 in relation to the commencement of the voting event for the PKPU Composition Plan (the “**Voting Announcement**”). We also refer to the invitation from the administrators to the creditors of the Sritex Group in the PKPU Proceeding to attend a meeting on Monday, 22 November 2021 (the “**Administrators Announcement**”). Unless otherwise defined, capitalized terms used in this letter shall have the meaning given to them in the Voting Announcement.

Presentation of the PKPU Composition Plan

Following the Voting Announcement and the Administrators Announcement, the Sritex Group will present the restructuring terms to all creditors at the Commercial Court of the District Court of Semarang at 9:00 am on Monday, 22 November 2021 (Western Indonesia Time) (the “**22 November Presentation**”). Holders of the 2024 Notes and the 2025 Notes who wish to attend the 22 November Presentation through video conference are required to write to the independent administrators in the PKPU Proceeding by email at timpengurus.pkpu.sril@gmail.com.

Voting on the PKPU Composition Plan

As set out in the Voting Announcement, the PKPU Composition Plan and the related consent solicitation memorandum have been circulated through the clearing systems and are available to download from the website in respect of the PKPU Composition Plan (<https://bonds.morrowsodali.com/sritex>).

Holders of the 2024 Notes and/or the 2025 Notes may participate and vote on the PKPU Composition Plan in the PKPU Proceeding. **The period during which voting instructions can be accepted commenced on 17 November 2021 and will end at 5:00 pm on 30 November 2021 (New York City time).**

Further details of the voting procedure which apply to the holders of the 2024 Notes and the 2025 Notes may be found in the consent solicitation memorandum.

Holders of the 2024 Notes and/or the 2025 Notes are encouraged to contact their brokers, dealers, commercial banks, trust companies or other nominee for assistance concerning voting on the PKPU Composition Plan as soon as possible.

Comparison between returns under the PKPU Composition Plan and liquidation

As set out in the Voting Announcement, in order for the PKPU Composition Plan to be effective, it must be (among others) approved by a majority in number representing at least $66\frac{2}{3}$ in value of each class of creditors casting their votes in the PKPU Proceeding (the “**Voting Threshold**”).

Set out below is: (i) **Option A which assumes that the vote for the PKPU Composition Plan is successful and holders of the Notes will receive (among others) new secured notes** on a dollar-for-dollar basis (the “**Exchange Offer**”); and (ii) Option B which outlines the expected return in a liquidation which may be imminent in the event the PKPU Composition Plan is unsuccessful.

If you consider the Exchange Offer contemplated under the PKPU Composition Plan to be your preferred option (i.e. Option A), **you are strongly urged to vote**. If the Voting Threshold is not met, PT Sri Rejeki Isman Tbk and its subsidiaries in Indonesia may be forced into liquidation (i.e. Option B). **Please do not assume that Option A will be approved in the PKPU Proceeding without your vote.**

• **OPTION A: Return to Noteholders in PKPU Composition Plan**

The PKPU Composition Plan contemplates an exchange offer in which **holders of the 2024 Notes and the 2025 Notes will receive (among others) new secured notes on a dollar-for-dollar basis**. For example, a holder of US\$10,000 in principal amount of the Notes will receive US\$5,000 of the Tranche A Secured Notes and US\$5,000 of the Tranche B Convertible Notes (which may be further exchanged for Tranche B Long Term Notes on a dollar-for-dollar basis).

Existing Notes	- US\$150,000,000 6.875% Senior Notes due 2024 issued by Golden Legacy Pte Ltd and guaranteed by PT Sri Rejeki Isman Tbk. - US\$225,000,000 7.25% Senior Notes due 2025 issued by PT Sri Rejeki Isman Tbk.																				
<u>New Notes</u>	- US\$187,500,000 <u>Tranche A Secured Notes</u> to be issued by PT Sri Rejeki Isman Tbk. - US\$187,500,000 <u>Tranche B Convertible Notes</u> to be issued by PT Sri Rejeki Isman Tbk. An exchange offer will be made in which holders of the <u>Tranche B Convertible Notes may elect to exchange</u> their holdings <u>for Tranche B Long Term Notes</u> to be issued by PT Sri Rejeki Isman Tbk on a dollar-for-dollar basis.																				
<u>Tranche A Secured Notes</u>	<u>First-ranking security</u> over fixed assets, inventory and receivables with an indicative security coverage ratio of approximately 97%. - Single balloon payment on the 9th year, with a periodic early redemption on an annual basis through a Reverse Dutch Auction. <u>Step-up interest rate</u> as set out below. Cash interest payable on a quarterly basis and PIK interest payable at the final maturity date. <table><tr><th>% per annum</th><th>Year 1</th><th>Year 2</th><th>Year 3</th><th>Year 4 to 9</th></tr><tr><td>Cash interest</td><td>0.375</td><td>0.875</td><td>1.375</td><td>2.00</td></tr><tr><td>PIK interest</td><td>1.625</td><td>1.125</td><td>0.625</td><td>0.00</td></tr><tr><td>Total interest</td><td>2.00</td><td>2.00</td><td>2.00</td><td>2.00</td></tr></table>	% per annum	Year 1	Year 2	Year 3	Year 4 to 9	Cash interest	0.375	0.875	1.375	2.00	PIK interest	1.625	1.125	0.625	0.00	Total interest	2.00	2.00	2.00	2.00
% per annum	Year 1	Year 2	Year 3	Year 4 to 9																	
Cash interest	0.375	0.875	1.375	2.00																	
PIK interest	1.625	1.125	0.625	0.00																	
Total interest	2.00	2.00	2.00	2.00																	
<u>Tranche B Convertible Notes</u>	Mandatory conversion into ordinary shares of PT Sri Rejeki Isman Tbk on the 5th year based on the fair and reasonable value.																				
<u>If elected, Tranche B Long Term Notes</u>	- Single balloon payment on the 12th year, with a periodic early redemption on an annual basis through Reverse Dutch Auction from the 10th year onwards. - Step up interest rate of 0.10% p.a. (from the 1st to the 9th year) and 2.00% p.a. (thereafter).																				

- **OPTION B: Return to Noteholders in Liquidation**

Holders of the Notes are **expected to receive approximately 8 cents on the dollar** in the event that the PKPU Composition Plan is not approved and PT Sri Rejeki Isman Tbk and its subsidiaries in Indonesia enter into an uncertain, time-consuming and value-destructive liquidation process in Indonesia.

Summary timetable

Expected Date	Event
Wednesday, <u>17 November 2021</u>	Commencement of the voting period and announcement in relation thereto distributed through the relevant clearing systems.
Monday, <u>29 November 2021</u>	Date on which Notes must be held by Noteholders to vote on the PKPU Composition Plan.
5:00 pm, New York City time Tuesday, <u>30 November 2021</u>	Deadline for Noteholders to submit their voting instructions in accordance with the procedure set out in the consent solicitation memorandum. This is subject to any earlier deadlines that may be set by brokers, dealers, commercial banks, trust companies or other nominees in relation to the Notes.
Thursday, <u>2 December 2021</u>	Meeting of the creditors in the PKPU Proceeding in which the voting instructions of the holders of the 2024 Notes and the 2025 Notes will be presented to PT Sri Rejeki Isman Tbk and its subsidiaries, the Trustee and the PKPU Administrators.

Additional information

This notice highlights only certain aspects of particular provisions of the PKPU Composition Plan and is qualified in its entirety by reference to the more detailed information contained in the PKPU Composition Plan. This summary does not purport to be complete and may not contain all information needed by you in deciding on the PKPU Composition Plan. None of the Sritex Group and its advisors make any recommendation as to the PKPU Composition Plan.

The Sritex Group will provide a further update when there are relevant developments and/or other matters contemplated by this announcement.

If you have questions regarding voting procedures, please contact the Information and Tabulation Agent at the contact details set out below.

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Jakarta
18 November 2021