

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. Unless otherwise defined, capitalized terms used in this letter shall have the meaning given to them in our previous notices and the PKPU Composition Plan (as defined below).

PKPU Composition Plan

We are pleased to announce that PT Sri Rejeki Isman Tbk and its subsidiaries in Indonesia have today circulated an updated composition plan for voting at the PKPU Proceeding (the “**PKPU Composition Plan**”).

In line with the Sritex Group’s commitment to act in the best interests of its creditors, the updated composition plan reflects the feedback from creditor groups. Accordingly, **the updated composition plan provides significantly improved terms to its creditors**. In particular:

- holders of the Notes will receive an **additional tranche of secured notes** with a final maturity date of 5 years. That is, the holders of the Notes will receive **two tranches of secured notes**;
- the security coverage ratio for both tranches of the secured notes has been increased to 108%; and
- the Sponsors have agreed to provide further support as necessary for the restructuring of the Sritex Group, including through the sale of or by encumbering the Sponsors' personal assets to raise working capital for the Sritex Group.

The PKPU Composition Plan along with the consent solicitation memorandum in relation to the PKPU Composition Plan 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>).

Voting arrangements for holders of the 2024 Notes and the 2025 Notes

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 is to commence on 3 January 2022 and will end at 5:00 pm on 19 January 2022 (New York City time).

Further details of the voting procedure which applies to the holders of the 2024 Notes and the 2025 Notes may be found in the consent solicitation memorandum that has been circulated along with the PKPU Composition Plan.

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

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) the two new tranches of 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) two new tranches of 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\$2,800 of the Tranche A Secured Notes, US\$3,600 of the Tranche B Secured Notes and US\$3,600 of the Tranche C Convertible Notes (which may be further exchanged for Tranche C Long Term Notes on a dollar-for-dollar basis).

A summary of the return to Noteholders in the PKPU Composition Plan upon the PKPU Proceedings being approved is outlined on the next page.

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\$105,000,000 <u>Tranche A Secured Notes</u> to be issued by PT Sri Rejeki Isman Tbk. - US\$135,000,000 <u>Tranche B Secured Notes</u> to be issued by PT Sri Rejeki Isman Tbk. - US\$135,000,000 <u>Tranche C 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 C Convertible Notes may elect to exchange</u> their holdings <u>for Tranche C 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 108%. - Single balloon payment on the 5th year. <u>Step-up interest rate</u> as set out below. Cash interest payable on a quarterly basis. <table><tr><th>% per annum</th><th>Year 1</th><th>Year 2</th><th>Year 3</th><th>Year 4 and 5</th></tr><tr><td>Cash interest</td><td>1.375</td><td>1.875</td><td>2.375</td><td>2.50</td></tr></table>	% per annum	Year 1	Year 2	Year 3	Year 4 and 5	Cash interest	1.375	1.875	2.375	2.50										
% per annum	Year 1	Year 2	Year 3	Year 4 and 5																	
Cash interest	1.375	1.875	2.375	2.50																	
<u>Tranche B Secured Notes</u>	<u>First-ranking security</u> over fixed assets, inventory and receivables with an indicative security coverage ratio of approximately 108%. - Amortized yearly payments throughout 9 years, with further 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 C 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 C Long Term Notes</u>	- Final maturity date on the 12th year for all amounts unpaid. Yearly amortization of principal <i>pari passu</i> with the Unsecured Term Loan, with an additional periodic early redemption on an annual basis through Reverse Dutch Auction from the 10th year onwards <i>pari passu</i> with the Unsecured Term Loan from the Excess Cash from the Cash Waterfall Mechanism. For the avoidance of doubt, following queries from holders of the Notes, repayment of the Tranche C Long Term Notes shall be amortized in the same manner as the Unsecured Term Loan. - 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 up to 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
Monday, <u>3 January 2022</u>	Commencement of the voting period and announcement in relation thereto distributed through the relevant clearing systems.
Tuesday, <u>18 January 2022</u>	Date on which Notes must be held by Noteholders to vote on the PKPU Composition Plan.
5:00 pm, New York City time Wednesday, <u>19 January 2022</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.
Friday, <u>21 January 2022</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
3 January 2022