

PB International B.V.
(the "Company")

US\$171,078,000 7.625% Senior Notes due December 31, 2025 (ISIN No. XS1555631925)
(the "Notes")

UPDATE ON RECENT DEVELOPMENTS

The Company refers to the Notes. Unless otherwise expressly defined, terms used herein shall have the meaning given to them in the Notes indenture originally dated January 26, 2017 (as amended and restated by a supplemental indenture dated June 30, 2022).

The Company wishes to announce the following recent developments.

1. PKPU proceedings of certain Guarantors

On 11 June 2024, the Commercial Court of Central Jakarta, Indonesia, granted petitions for the following Guarantors of the Notes:

(a) PT Pan Brothers Tbk. ("**Pan Brothers**"), PT Eco Smart Garment Indonesia, and PT Prima Sejati Sejahtera (in case No. 149/Pdt.Sus-PKPU/2024/PN.Niaga.Jkt.Pst.); and

(b) PT Pancaprima Ekabrothers (in case No. 150/Pdt.Sus-PKPU/2024/PN.Niaga.Jkt.Pst.),

to be placed under temporary suspension of debt payment obligations (Penundaan Kewajiban Pembayaran Utang) ("**PKPU**") and the appointment of a supervisory judge and administrators to oversee the PKPU process. On 25 July 2024, the PKPU period was extended until 22 November 2024.

For the purposes of the PKPU, Pan Brothers has engaged KAP Aria Kanaka & Rekan (member firm of Forvis Mazars) ("**Mazars**") following their appointment by the supervisory judge to perform an Agreed-Upon Procedures on the group's consolidated working capital position. An english summary of the outcome of Mazars' report is enclosed to this announcement.

2. Enforcement of the Interest Reserve Account

On June 24, 2024, the Trustee issued a notice of acceleration and default in respect of the non-payment of interest on the Notes on January 26, 2024, and also in respect of the PKPU of the Guarantors.

On July 12, 2024 and July 16, 2024, the Company was notified that the Trustee had withdrawn the sum of US\$7,026,357.22 from the Interest Reserve Account, which has been pledged in favour of the Trustee, towards payment of amounts outstanding under the Notes.

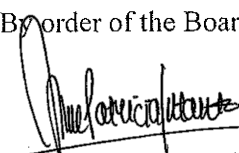
3. Composition plan

Notwithstanding the PKPU proceedings, Pan Brothers is working with its advisors and the administrators to manage the operations of the group during this period, and to formulate a composition plan in the best interest of all stakeholders.

Noteholders will be kept updated of all material updates and developments. In the interim, Noteholders who have queries may contact the Company for more information.

Dated 18 October 2024

By order of the Board



Anne Patricia Sutanto
Managing Director

Annex – Summary

Background and Objectives of the Agreed-Upon Procedures

Pan Brothers is a supplier and garment manufacturer with several subsidiaries operating in the same line of business. In 2024, PT Pan Brothers Tbk. along with several subsidiaries, namely PT Pancaprima Ekabrothers, PT Eco Smart Garment Indonesia, and PT Prima Sejati Sejahtera, underwent Suspension of Debt Payment Obligations (PKPU). During the PKPU process, one of the creditors requested Pan Brothers to carry out Agreed-Upon Procedures aimed at providing the necessary information related to the financial restructuring of the Group.

Scope and Subject of the Implementation of Agreed-Upon Procedures

The implementation of the Agreed-Upon Procedures was conducted on trade receivables, inventories, advance payments and trade payables as of July 31, 2024, on:

- Pan Brothers
- PT Pancaprima Ekabrothers
- PT Eco Smart Garment Indonesia
- PT Prima Sejati Sejahtera

Accounts and Potential Ending Balances as of July 31, 2024 after the Implementation of Agreed-Upon Procedures

Account	Potential ending balances as of July 31, 2024 after the implementation of Agreed-Upon Procedures
Trade Receivables	US\$ 35,030,104
Inventories	US\$ 120,654,942
Advance Payments	US\$ 13,687,314
Trade Payables	US\$ 30,749,811

There are general limitations on the implementation of Agreed-Upon Procedures regarding the scope and subject of the implementation, including:

- Information limitations on inventories aging data
- Inventories data related to COVID-19
- The completeness of transactions that have been recorded cannot be fully confirmed
- Cost components other than raw material costs in finished goods and work in process
- Details of impairment allowance on inventories

Results of the Implementation of Agreed-Upon Procedures

The potential ending balances stated above represent the potential ending figures from the Agreed-Upon Procedures that have been carried out in accordance with the scope and subject of implementation, referring to the balances from the consolidated financial information, which includes the total balances of the subsidiaries of Pan Brothers as well as 8 other subsidiaries not covered in the scope and subject of the Agreed-Upon Procedures.

If there are balances/amounts from the implementation of the Agreed-Upon Procedures but the potential additions/(reductions) to the related accounts as of July 31, 2024 cannot be determined due to general limitations, those balances/amounts will not be considered in the potential ending balances stated above.