



**PT. PAN BROTHERS Tbk.
PRESS RELEASE**

**PAN BROTHERS GET VOTE OF MAJORITY CREDITORS
FOR SINGAPORE SCHEME**

Wednesday, 8 December 2021 - On 1 June 2021 PT Pan Brothers Tbk ("*Pan Brothers*" or the "*Company*") filed an application in the Singapore High Court (the "*Court*") seeking a moratorium to protect the Company while it proceeds with its proposed restructuring. Concurrent applications were also filed on behalf of certain of its subsidiaries. The application was heard on 4 June 2021 and decided that the Company and its Subsidiaries had been granted a moratorium until 1 July 2021 and then extended again until 28 December 2021.

Continuing the ongoing restructuring process and to comply with the provisions of the Singapore Scheme which is being proposed by the Company, Morrow Sodali Limited as the appointed Information Agent for the voting tabulation process has confirmed that since the closing of the record date on 7 December 2021 at 10 PM Singapore time, Morrow Sodali Limited received Instructions from Scheme Creditors with the following results:

1. For noteholders, 95.75% of the total notes that have participated in the voting have approved the term sheet submitted by the Company. So that it has crossed the minimum threshold of 75% required in the Singapore Scheme.
2. For syndicated lenders, 100% of the total syndicated amount participating in the voting have approved the term sheet submitted by the Company. So that it has crossed the minimum threshold 75% required in the Singapore Scheme.
3. For active bilateral lenders, 100% of the total active bilateral amount that have participated in the voting have approved the term sheet submitted by the Company. So that it has crossed the minimum threshold 75% required in the Singapore Scheme.
4. For non-active bilateral lenders, 100% of the total non-active bilateral amount that have participated in the voting have approved the term sheet submitted by the Company. So that it has crossed the minimum threshold 75% required in the Singapore Scheme.

Accordingly, the Scheme has been approved by the requisite majorities of the Scheme Creditors in each voting class in accordance with the terms of the Scheme.

The Scheme is subject to the sanction of the High Court of Singapore and to the fulfilment of the other conditions of the Scheme as set out therein. The Company will soon submit its application to the High Court of Singapore under Section 71 of the IRDA for the High Court of Singapore's sanction of the Scheme and will notify the Scheme Creditors of further details of the Sanction Hearing by circulating a further notice via the Clearing Systems, SGXNet, the Scheme Website and email.

With the approval of the majority lenders on the term sheet that has been submitted, the Company and Group expect that the restructuring process can be completed according to the planned schedule. Therefore we can focus on the strategy to maximize our capacity and fulfil every order from the Company's buyers .

As one of the largest garment manufacturing companies in Indonesia based on installed capacity, employing around 33,000 people, the Company and group are committed to be a Pioneers in implementing the Circular Economy concept into Company's business in order to support government programs related to sustainability and achieve "Net-Zero Emissions" in 2060. This is also in line with Pan Brothers and Group's Vision, Mission and Sustainability Strategy which is based on three branches (Three Fundamentals - People, Planet, Profit), to create positive value for all stakeholders including community, environment, and our own business. One of the sustainability programs that has been implemented by the Company and the Group is to install solar panels at the Company's facilities with a capacity of up to 2,554 kWp (kilowattpeak) in 2021 which can reduce approximately 2.1 million kg of carbon emissions (CO₂e) per year. This program will continue until 2023 when all of the Company's facilities are expected to be installed with solar panels.

Another sustainability program that has been also implemented by the Company and Group in the zero waste management which scrap fabric waste produced by garment and textile production facilities is recycled into valuable items such as masks, pillowcases, carpets, and others. The Company's target in 2030 is to halve the amount/volume of waste generated, therefore at least 75% can go through the recycle, upcycle, or downcycle process. The Company recycles used fabrics in two ways: internal recycling at our production facilities and external recycling by third party producers, micro, small and medium enterprises (UMKM) and members of the local community. For third parties and the local community, the Company provides the used fabric for free, so they can sell the recycled product as their income.

The Company and Group also urge and invite all buyers/brands, the majority of whom are international brands, to work together to form a "Circular Fashion Partnership", in order to reuse textile waste that has been processed to make new garment products. Pan Brothers and Group are committed to developing an inclusive and sustainable business, where we aim to use up to 50% sustainable raw materials by 2023.

**Board Of Directors
PT Pan Brothers Tbk.**