

Number: IRS/CS-0518/0015
Regarding: Disclosure of Material Information and Facts

Jakarta, 14 May 2018

Executive Head Capital Market Supervision
Financial Services Authority
Jakarta

We hereby for and on behalf of the company submit Disclosure of Material Information and Facts as given below:

Issuer or Listed Company: PT Indo-Rama Synthetics Tbk (“IRS”)
Line of Business: Spinning and Polyester
Telephone: +62-21-5261555
Fax: +62-21-5261501
E-mail : corporate@indorama.com

1.	Date of Event	11 May 2018
2.	Type of Material Information and Facts	Agreement for sale of shares held by IRS in PT. Indorama Petrochemicals, Indonesia (“PTIP”) representing 26% of the total number of issued and paid up shares in PTIP
3.	Description of Material Information and Facts shall include atleast the following information: Purchase or sale of Shares in companies which have a material value: a) parties to the transaction b) relation among the transacting parties c) transaction value d) purpose of the transaction	<u>Background:</u> IRS and Indorama Netherlands B.V., The Netherlands, a related party of IRS (“INBV”) are each currently holding 50% of the total number of issued and paid up shares in PTIP (a producer of purified terephthalic acid). INBV had a one-time call option to purchase all the shares held by IRS in PTIP by 31 December 2018 in terms of a call option agreement dated 30 November 2011 as extended (“Agreement”) which was duly reported to the public and also disclosed in the financial statements of IRS. <u>Description of Material Information and Facts:</u> INBV, IRS and Indorama Holdings B.V. The Netherlands, a related party of IRS (“IHBV”) have amended and restated the aforesaid Agreement on 11 May 2018 pursuant to which: (i) INBV has agreed to acquire 24% of the total number of issued and paid up shares in PTIP from IRS at the price basis referred to in the Agreement amounting to US\$ 55,135,160.02; (ii) IRS has agreed to sell 2% of the total number of issued and paid up shares in PTIP to IHBV at the same price basis as referred in point (i) hereinabove amounting to US\$ 4,594,596.67; (both of the transactions referred to in point (i) and (ii) hereinabove are referred to as the “Transaction”); and

		<p>(iii) INBV extended its call option to acquire the remaining 24% of the total number of issued and paid up shares held by IRS in PTIP and 2% of the total number of issued and paid up shares held by IHBV in PTIP (after the closing of the Transaction), in part or in full by 31 December 2019, at the same price basis in terms of the Agreement.</p> <p>The Agreement as amended and restated hereinabove is hereafter referred to as the “Restated Agreement”</p> <p>The Transaction referred to in point (i) and (ii) hereinabove are to be completed within 60 days of the Restated Agreement (subject to the required approvals).</p>
4.	The impact of events, Material Information and Facts on the operational activities, legal, financial condition or business continuity of the Issuer or Public Company	IRS will be receiving the sale consideration amount aggregating to US\$ 59,729,756.69 upon the completion of the Transaction
5.	Other Remarks	None

Yours faithfully,

Vishnu Swaroop Baldwa
President Director

CC: PT Bursa Efek Indonesia