

**INFORMATION DISCLOSURE
TO SHAREHOLDERS IN THE FRAMEWORK OF THE QUASI-REORGANIZATION PLAN
PT EVER SHINE TEX Tbk**

In connection with the provisions stipulated in the Regulation of the Capital Market and Financial Institutions Supervisory Agency No. IX.L.1. regarding Quasi-Reorganization ("Regulation IX.L.1"), the Company plans to conduct a quasi-reorganization in accordance with the provisions of Regulation IX.L.1 ("Quasi-Reorganization Plan").



PT Ever Shine Tex Tbk
A PUBLIC LISTED COMPANY

PT EVER SHINE TEX Tbk.

Business Activities :

Engaged in the Textile Industry
Based in Jakarta, Indonesia.

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This Information Disclosure was published on August 11, 2025

1. INTRODUCTION

In order to provide a more accurate picture of the Company's financial position, as well as in line with the Company's belief to maintain business continuity and support sustainable growth in the future, the Company intends to implement the Quasi-Reorganization Plan using the Company's consolidated financial position statement as of March 31, 2025.

The Company conveys this information to the Shareholders as part of the fulfillment of the provisions stipulated in Regulation IX.L.1, Attachment to the Decree of the Chairman of Bapepam and LK Number Kep-718/BL/2012 dated December 28, 2012 concerning Quasi-Reorganization, as well as Financial Services Authority Regulation Number 31/POJK.04/2015 concerning Disclosure of Information or Material Facts by Issuers or Public Companies.

In this regard, the Company intends to obtain approval from the Shareholders at the Extraordinary General Meeting of Shareholders ("EGMS") on the implementation of the Quasi-Reorganization Plan.

2. GENERAL INFORMATION

1. General Information about PT Ever Shine Tex Tbk

PT Ever Shine Tex Tbk (the Company) was established in the framework of the Domestic Investment Law No. The Company's articles of association have been amended several times, most recently by the notary deed of Kartini Muljadi, S.H., No. 82, which was later amended by deed No. 14 dated February 4, 1974 and No. 33 dated January 10, 1975 from the same notary. This deed of establishment and its amendments have been ratified by the Minister of Justice in Decree No. Y.A.5/22/3 dated January 25, 1975 and announced in State Gazette No. 53, Supplement No. 319 dated July 4, 1975. The Company's articles of association have been amended several times, most recently with the notary deed of Leolin Jayayanti, SH., M.Kn, No. 51 dated June 21, 2023.

The Company is one of the best integrated synthetic textile manufacturers in Indonesia. The Company continues to strive to maintain business sustainability to create value for Shareholders and all Stakeholders, outerwear, children's clothing, women's clothing, wedding dresses, jackets to ribbons, bags, umbrellas, home interior equipment, decorations and so on. Meanwhile, through its subsidiary, PT Primarajuli Sukses, the products produced are in the form of nylon yarn, namely Polyamid Nylon 6 yarn, Textured Yarn, Twisted Yarn, and Micro Filament which is needed in the manufacture of woven fabrics and knitting fabrics since 2017. With proven and trusted experience in the textile industry, the Company and its Subsidiaries have received various awards both domestically and internationally. The Company continues to strive to maintain business sustainability to create value for Shareholders and all Stakeholders.

1. Capital and Composition of Shareholders of PT Ever Shine Tex Tbk

The composition and capital structure of the Company based on the Company's Register of Shareholders as of July 31, 2025 prepared by PT Raya Saham Registra as the Company's Securities Administration Bureau, are as follows:

Description	Nominal Value Rp100,- per share		%
	Number of Share	Total Values Nominal (Rp)	
Authorized capital	3.000.000.000	300.000.000.000	
<u>Issued Capital and Paid-up Capital</u>			
PT Cahaya Interkontinental	1.838.055.873	183.805.587.300	91,21
Public Shareholders (with ownership of less than 5% each)	177.152.847	17.715.284.700	8,79
Number of Shares Outstanding	2.015.208.720	201.520.872.000	100,00
Total of Issued and Paid-up Capital	2.015.208.720	201.520.872.000	100,00

A. Composition of the Board of Commissioners and Directors of PT Ever Shine Tex Tbk

Based on the Annual General Meeting of Shareholders dated June 16, 2025, the composition of the Company's Board of Commissioners and Board of Directors is as follows:

Board of Commissioners:

President Commissioner	:	Emmy Ranoewidjojo
Independent Commissioner	:	Aryanto Agus Mulyo
Independent Commissioner	:	Wirawan B Ilyas

Board of Directors:

President Director	:	Sung Pui Man
Finance Director	:	Erlie Lindawati Surianto
Operation Director	:	Peter Sung
Marketing Director	:	Michael Sung

3. INFORMATION REGARDING THE QUASI-REORGANIZATION PLAN

A. Background and Reasons

Since its founding in 1973 as a company engaged in the textile industry and trade, PT Ever Shine Tex Tbk (the "Company") has grown and adapted to the dynamics of the national and global textile industry. The Company continues to expand its marketing network and improve its production processes to maintain competitiveness and increase added value for its stakeholders.

As of March 31, 2025, the Company recorded a deficit balance (negative retained earnings) of USD65,240,235. This deficit initially originated from the restated reporting currency of the Company from Rupiah to United States Dollar in 2011, which resulted in an adjustment of accumulated loss balances of negative USD40,159,330. Subsequently, the accumulated losses continued to increase until reaching the current deficit position in the first quarter of 2025, with details of the consolidated financial position as follows (presented in United States Dollars):

Presented in USD except in 2010 and 2011 before it was restated to USD.

Year	Comprehensive Income (Loss)	Retained Earnings (Deficit)	Operating Profit (Loss)	Foreign Exchange Gain (Loss)	Total Equity	Net Cash Provided by (Used in) Operating Activities	Net Sales
2010	1.487.272.540	10.396.939.483	4.228.376.015	8.315.021.280	256.181.080.835	21.598.584.330	615.068.644.614
2011	3.271.192.448	11.654.632.567	14.927.508.155	(1987.296)	257.440.896.364	26.254.569.403	713.716.481.474
2011 (Restated in USD)	581.182	(40.159.330)	1.971.562	798.047	41.089.168	1748.140	81.280.808
2012	(4.666.657)	(45.038.715)	(4.598.988)	(382.230)	36.569.360	1.172.124	75.429.657
2013	(6.670.600)	(51.709.294)	(5.362.187)	(878.774)	29.898.760	2.183.463	49.271.615
2014	(6.389.449)	(58.098.706)	(5.872.579)	98.726	23.509.311	(1.311.678)	47.215.086
2015	10.485.191	(68.583.780)	(5.735.837)	(158.918)	13.024.120	879.223	36.980.479
2016	3.127.492	(65.456.301)	(2.125.012)	577.308	16.151.612	(393.664)	35.164.569
2017	(1.702.399)	(67.158.712)	(1.933.948)	21.967	14.712.863	1.009.697	35.125.240
2018	1.413.112	(65.745.616)	(161.889)	(158.630)	16.249.625	(4.241.482)	35.984.816
2019	(2.792.947)	(68.538.491)	662.233	257.667	13.456.678	(2.181.401)	29.894.354
2020	(577.944)	(69.116.382)	99.057	77.937	12.962.074	5.401.845	23.948.102
2021	1.612.542	(67.503.840)	2.683.279	67.589	14.574.616	7.428.526	30.725.639
2022	66.388	(67.566.666)	1.107.856	258.784	14.511.721	3.312.870	28.555.758
2023	1.303.481	(66.263.238)	1.481.706	15.979	15.815.202	6.065.451	22.330.314
2024	674.628	(65.588.618)	1.436.027	126.408	16.489.896	4.835.213	25.845.724
Maret 2025	348.396	(65.240.235)	798.775	20.608	16.838.292	(60.750)	6.610.493

In 2012, the operational loss was due to severance pay of USD 2,922,244 related to the closure of the garment division. This decision was made due to the uncompetitive basic wages compared to basic wages in other regions, such as Central Java. The adjustment of deferred charges amounted to USD 357,492 for 2012.

Entering 2013, sales declined again due to the termination of garment division operations in February 2013. This decision was taken considering that basic wages in the Bogor area were no longer competitive compared to other areas such as Central Java.

In 2014, external pressures further worsened sales performance, which recorded a sharp decline of 42%. This was triggered by the weakening of the rupiah against the US dollar, with the average exchange rate in 2014 being Rp11,869/USD compared to Rp10,460/USD in 2013. Considering that most of the fabric products are marketed domestically, the weakening exchange rate also impacted the Company's profitability.

2017 was marked by rising inefficient production costs, resulting in the Company posting a gross loss for the entire year. Furthermore, in 2019, the Company again faced severe pressure from the domestic market due to a flood of imported products, including illegal imports from China, at very low prices. This phenomenon caused the Company's sales to experience another sharp decline.

In light of the historical conditions weighing on the financial statements, the Company has initiated a Quasi-Reorganization. This Quasi-Reorganization aims to reorganize the Company's consolidated financial position to better reflect its healthy financial condition and optimal performance, without the overshadowing of negative retained earnings stemming from accumulated past losses.

In line with the provisions of Regulation IX.L.1, Quasi Reorganization is an accounting procedure used to restructure equity by eliminating negative retained earnings (deficit) arising from historical losses, thereby providing space for the Company to grow sustainably in the future.

B. The Purpose of the Quasi-Reorganization Plan

1. Improving the Company's equity structure to be healthier and more sustainable.
2. To obtain a consolidated financial position report that reflects the Company's better financial condition and capital structure, without being burdened by the deficit from the previous period.
3. With the elimination of the deficit balance, it is expected that the Company will have the ability to distribute dividends to the Shareholders in accordance with the provisions of the applicable laws and regulations.
4. Increase investor interest and attractiveness to own the Company's shares, thereby potentially increasing the liquidity of the Company's shares trading and supporting the acquisition of working capital for the expansion of business activities in the future.

1. Quasi-Reorganization Requirements

In accordance with the provisions of Regulation IX.L.1, the requirements to be able to carry out a quasi-reorganization are as follows:

1. Comply with the provisions of laws and regulations and Financial Accounting Standards;
2. There is a material negative profit balance in the audited annual financial statements for the last 3 (three) years. Negative profit balance is considered material if the absolute value of the negative profit balance is more than:
 1. 60% (sixty hundredth) of the paid-up capital; and
 2. 10 times the average profit for the current year for the last 3 (three) years; and
3. Have good prospects, as evidenced by the existence of operating profit or operating profit, and current year profit in the audited annual financial statements for the last 3 (three) consecutive years and in the audited financial statements used as the basis for the implementation of the Quasi-Reorganization Plan, namely 2022, 2023 and 2024 and the 3 (three) month period ending on March 31, 2025.

The Company has fulfilled the provisions as stipulated in Regulation IX.L.1, Attachment to the Decree of the Chairman of Bapepam and LK Number Kep-718/BL/2012 dated December 28, 2012 concerning Quasi-Reorganization, as can be seen in the table below and other matters that have been described.

Description	Presented in USD			
	31 March 2025	31 December 2024	31 December 2023	31 December 2022
Sales	6.610.493	25.845.724	22.330.314	28.555.758
Cost Of Goods Sold	(5.665.659)	(21.886.897)	(18.347.823)	(24.924.089)
Gross Profit	944.834	3.958.827	3.982.491	3.631.669
Operating expenses	(609.981)	(2.515.215)	(2.636.656)	(2.832.917)
Operating income	798.775	1.436.027	1.481.706	1.107.856
Net Income for the Year / Period	348.396	674.628	1.303.481	66.319
Average Current Year Profit for 3 Years	598.206			
Authorized Capital – Issued and Fully Paid Up	76.794.149	76.794.149	76.794.149	76.794.149
Additional Paid-in Capital	5.284.008	5.284.008	5.284.008	5.284.008
Deficit	(65.240.235)	(65.588.618)	(66.263.238)	(67.566.666)
There is a material accumulated loss (deficit) in the audited annual financial statements for the last 3 (three) years. The accumulated loss (deficit) is considered material if the absolute value of the accumulated loss (deficit) is more than:				
a. 60% (sixty percent) of paid-in capital)	84,95%	85,41%	86,29%	87,98%
- Average 3 years	86,16%			
b. 10 (ten) times the average current year profit for the last 3 years	109,06 x	109,64 x	110,77 x	112,94 x
- Average 3 years	110,60 x			

In the 2023 fiscal year, the Company demonstrated a positive business growth trend amidst challenges in the global textile industry. In 2023, the Company recorded sales of USD 22,330,314, with a profit for the year reaching USD 1,303,481, reflecting the success of operational efficiency efforts and a more adaptive marketing strategy.

Entering 2024, the Company recorded sales of USD25,845,724, a 15.74% increase compared to the previous year. However, profit for the year decreased to USD674,628 due to increased raw material costs and energy price adjustments, as well as higher selling expenses due to higher international shipping rates. Nevertheless, this sales achievement achieved approximately 90.70% of the Company's target of USD28.5 million.

In the first quarter of 2025, the Company again recorded a performance recovery with a profit for the year of USD 348,396, indicating potential improvements in profitability going forward.

In terms of financial position, the Company remains solid with total assets as of March 31, 2025 amounting to USD47,891,090, total liabilities of USD31,052,798, and equity of USD16,838,292. This relatively improved financial structure is expected to support the restructuring process through Quasi Reorganization and provide room for sustainable growth for the Company.

C. Information Regarding the Quasi-Reorganization Plan

The Company intends to implement a Quasi-Reorganization Plan by eliminating negative retained earnings of USD 65,240,235 as of March 31, 2025. Following the implementation of the Quasi-Reorganization, the Company's negative retained earnings will be zero. The Company intends to implement the Quasi-Reorganization Plan by eliminating the accumulated negative retained earnings using the following positive equity items, in the following priority order:

1. paid-in capital in excess of par value;

The elimination of the Company's accumulated negative retained earnings balance with the positive balance of the share premium account is as follows:

Description	Amount (USD)
Deficit balance	(65.240.235)
Elimination by total Paid-in capital in excess of par value	4.813.367
Remaining deficit balance	(60.426.868)

2. difference in capital from treasury share transactions;

The elimination between the remaining negative accumulated retained earnings balance after eliminating the positive share premium balance with the capital difference from treasury stock transactions is as follows:

Description	Amount (USD)
Deficit balance	(60.426.868)
Elimination by difference in capital from treasury share transactions;	-
Remaining deficit balance	(60.426.868)

3. exchange Differences on Paid-up Capital;

The elimination between the remaining negative retained earnings after eliminating the positive balance of share premium, the difference in capital from treasury stock transactions with the exchange rate difference on paid-in capital is as follows:

Description	Amount (USD)
Deficit balance	(60.426.868)
Elimination by exchange Differences on Paid-up Capital	-
Remaining deficit balance	(60.426.868)

4. difference between transactions with non-controlling parties;

The elimination between the remaining negative retained earnings after eliminating the positive balance of share premium, the capital difference from treasury stock transactions, and the exchange rate difference on paid-in capital with the balance of the difference in transactions with non-controlling parties is as follows:

Description	Amount (USD)
Deficit balance	(60.426.868)
Elimination by difference between transactions with non-controlling parties	-
Remaining deficit balance	(60.426.868)

5. difference in transaction with entities under common control; and

The elimination between the remaining negative retained earnings after eliminating the positive balance of share premium, capital differences from treasury stock transactions, exchange differences on paid-in capital, and differences in transactions with non-controlling parties with a positive balance of the difference in transaction value with entities under common control is as follows:

Description	Amount (USD)
Deficit balance	(60.426.868)
Elimination by difference in transaction with entities under common control	-
Remaining deficit balance	(60.426.868)

6. share capital.

The items in Numbers 1 to 5 above cannot cover the entire negative balance of the Company's earnings, where the amount of negative balance of earnings after elimination using the items in Numbers 1 to 5 above still remains at USD 60,426,868. Therefore, the Company will then reduce the authorized, issued, and paid-up capital of the Company through a mechanism of reducing the nominal value of shares without reducing the number of shares in circulation to cover the remaining negative balance of earnings.

Description	Amount (USD)
Deficit balance	(60.426.868)
Difference in rounded nominal value of share capital Quasi-Reorganization	(240.510)
Remaining deficit balance	(60.667.378)
Elimination by against issued and fully paid-up capital	60.667.378
Remaining deficit balance after elimination	0

The difference in the rounding of the nominal value of the Quasi Reorganization share capital of USD 240,510 is the difference arising from the calculation of the reduction in the nominal value of shares in the context of the quasi reorganization, where the nominal value per share is rounded in accordance with the provisions of the General Legal Administration (AHU) recording system.

This difference arises because the division of total share capital by the number of outstanding shares does not produce a whole number in the nominal units accepted by the General Legal Administration (AHU) recording system. For accounting purposes, this difference is recognized as an adjustment in the Additional Paid-in Capital account and does not affect the number of outstanding shares or the total value of paid-in capital after the capital reduction.

The Company's Shareholder List as of July 31, 2025, published by PT Raya Saham Registra as the Securities Administration Bureau that manages the Company's share administration, is as follows:

Nominal Value Rp100,- per share				
USD 1 = 2.624, 17				
Description	Number of Shares	Total Nominal Value (Rupiah)	Total Nominal Value (USD)	%
Authorized capital	3.000.000.000	300.000.000.000		100
Issued Capital and Paid-up Capital				
PT Cahaya Interkontinental	1.838.055.873	183.805.587.300	70.043.334	91,21
Public Shareholders (with ownership of less than 5% each)	177.152.847	17.715.284.700	6.750.815	8,79
Number of Shares Outstanding	2.015.208.720	201.520.872.000	76.794.149	100
Total of Issued and Paid-up Capital	2.015.208.720	201.520.872.000	76.794.149	100

The reduction in the authorized, issued and paid-up capital of the Company is carried out by reducing the nominal value of shares proportionally and with the reduction in the issued and paid-up capital and authorized capital of the Company as referred to, the Company's capital structure will be as follows:

Nominal Value Rp21,- per share				
USD 1 = 2.624, 17				
Description	Number of Shares	Total Nominal Value (Rupiah)	Total Nominal Value (USD)	%
Authorized capital	3.000.000.000	63.000.000.000		
Issued Capital and Paid-up Capital				
PT Cahaya Interkontinental	1.838.055.873	38.599.173.333	14.709.100	91,21
Public Shareholders (with ownership of less than 5% each)	177.152.847	3.720.209.787	1.417.671	8,79
Number of Shares Outstanding	2.015.208.720	42.319.383.120	16.126.771	100
Total of Issued and Paid-up Capital	2.015.208.720	42.319.383.120	16.126.771	100

In accordance with the provisions of applicable laws and regulations, the reduction in the Company's capital as mentioned above will be implemented by taking into account the following matters:

1. Obtaining approval from the Company's Extraordinary General Meeting of Shareholders (EGMS) which is planned to be held on September 17, 2025; and
2. Obtaining approval from the Minister of Law and Human Rights regarding changes to the Company's Articles of Association in connection with a decrease in the Company's capital. In accordance with the provisions of Article 46 paragraph (2) in conjunction with Article 45 of the UUPT, the approval of the Minister of Law and Human Rights as referred to in point 2 above will only be given if:
 - a) There is no written objection from the Company's creditors within a period of 60 (sixty) days from the date of the announcement of the decision to reduce the Company's capital in 1 (one) or more daily newspapers; or
 - b) A settlement has been reached regarding the objections submitted by the creditor (if a creditor submits a written objection); or
 - c) The creditor's lawsuit (if any) was rejected by the court based on a decision that has permanent legal force.

Assuming the Company does not receive any objections from creditors or other parties related to the Quasi Reorganization Plan, then after the reduction in the Company's capital as referred to above becomes effective, namely on the date of obtaining approval from the Minister of Law and Human Rights regarding the amendment to the Company's Articles of Association as referred to above, the reduction in capital amounting to USD 60,667,378 is used to eliminate the remaining negative balance of the Company's profit after elimination using the items in Numbers D.1 to D.5 above.

D. Overview of Important Financial Data

The summary of the Company's annual consolidated statement of financial position and annual comprehensive income statement, which has been audited for the period December 31, 2022, December 31, 2023 and December 31, 2024, as well as the summary of the interim consolidated statement of financial position which has been audited for the period March 31, 2025, as follows:

PT EVER SHINE TEX Tbk AND SUBSIDIARIES				
CONSOLIDATED STATEMENT OF FINANCIAL POSITION				
AS OF 31 MARCH 2025, 31 DECEMBER 2024, 31 DECEMBER 2023, AND 31 DECEMBER 2022				
IN USD				
	31 March 2025	31 December 2024	31 December 2023	31 December 2022
ASET				
Current assets	22.829.759	22.032.590	21.816.070	23.777.819
Non-current assets	25.061.331	25.157.679	26.898.600	24.416.599
TOTAL ASET	47.891.090	47.190.269	48.714.670	48.194.418
LIABILITIES AND EQUITY				
Current Liabilities	18.411.716	18.388.953	20.342.665	21.066.325
Non-Current Liabilities	12.641.082	12.311.420	12.556.803	12.616.372
TOTAL LIABILITIES	31.052.798	30.700.373	32.899.468	33.682.697
EQUITY	16.838.292	16.489.896	15.815.202	14.511.721
TOTAL LIABILITIES AND EQUITY	47.891.090	47.190.269	48.714.670	48.194.418

PT EVER SHINE TEX Tbk AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE MONTH PERIOD ENDING ON THE 31 MARCH 2025 AND
FOR THE YEARS ENDING 31 DECEMBER 2024, 2023 DAN 2022
IN USD

	31 March 2025	31 December 2024	31 December 2023	31 December 2022
SALES	6.610.493	25.845.724	22.330.314	28.555.758
COST OF GOODS SOLD	(5.665.659)	(21.886.897)	(18.347.823)	(24.924.089)
GROSS PROFIT	944.834	3.958.827	3.982.491	3.631.669
OPERATING EXPENSES	(609.981)	(2.515.215)	(2.636.656)	(2.832.917)
OTHER INCOME - NET	463.922	(7.585)	135.871	309.104
OPERATING INCOME	798.775	1.436.027	1.481.706	1.107.856
PROFIT BEFORE INCOME TAX	560.434	1.026.814	1.244.195	240.883
PROFIT FOR THE YEAR	348.396	674.628	1.303.481	66.319
OTHER COMPREHENSIVE INCOME	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	348.396	674.628	1.303.481	66.319
Profit for the year attributable to:				
Owners of the parent entity	348.383	674.620	1.303.428	66.388
Noncontrolling interest	13	8	53	(69)
TOTAL	348.396	674.628	1.303.481	66.319
BASIC/DILUGUED INCOME (LOSS) PER SHARE	0,000173	0,00033	0,00064	0,00003

PT EVER SHINE TEX Tbk AND SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENT
FOR THE THREE MONTH PERIOD ENDING ON THE 31 MARCH 2025 DAN
FOR THE YEARS ENDING 31 DECEMBER 2024, 2023 DAN 2022
IN USD

	31 March 2025	31 December 2024	31 December 2023	31 December 2022
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(60.750)	4.835.213	6.065.451	3.312.870
NET CASH USED IN INVESTING ACTIVITIES	(108.217)	(845.386)	(4.588.570)	(251.066)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	181.132	(3.966.266)	(1.712.116)	(2.867.646)
NET INCREASE IN CASH AND BANKS	20.118	23.561	(235.235)	194.158
CASH AND BANKS AT THE BEGINNING OF THE PERIOD	93.463	69.902	305.137	110.979
CASH AND BANKS AT THE END OF THE PERIOD	113.581	93.463	69.902	305.137

E. Analysis and Discussion by Management

Management's analysis and discussion of the Company's financial condition and results of operations should be read in conjunction with the summary of key financial data and the Company's Consolidated Financial Statements for the last 10 (ten) years as of December 31, 2014-2024, along with the accompanying notes to the consolidated financial statements.

From 2014 to 2024, the Company faced various external and internal challenges that significantly impacted its business performance and financial position. As a company operating in the textile industry, the Company's performance was affected by fluctuations in raw material prices, the Rupiah exchange rate against the US Dollar, changes in consumption patterns, and pressure from imported products, including illegal imports in recent years.

Business Conditions and Financial Performance

Since 2014 and 2015, the Company has recorded continuous losses. This was due, among other things, to operational losses, foreign exchange losses, and relatively high selling and general expenses compared to revenue. Comprehensive losses in 2014 and 2015 were USD 6.39 million in 2014 and increased to USD 10.49 million in 2015. Meanwhile, from 2016 to 2018, the Company recorded comprehensive profits of USD 3.13 million in 2016, USD (1,702,399) million in 2017, and USD 1.14 million in 2018, respectively.

Entering the period from 2017 to 2020, the Company began to show stabilization through cost control and the restructuring of inefficient divisions. However, the impact of the COVID-19 pandemic in 2020 hampered the ongoing recovery, as reflected in the return of a comprehensive loss of USD 577 thousand, despite an increase in net cash from operating activities to USD 5.4 million.

Recovery and Consistency of Positive Performance

The 2021–2024 period reflects a more solid recovery and stabilization phase for the Company. ESTI recorded comprehensive profit consecutively for the past four years, namely USD 1.61 million (2021), USD 66,000 (2022), USD 1.30 million (2023), and USD 674,000 (2024). Furthermore, the Company's equity also showed a gradual increase from USD 12.96 million in 2020 to USD 15.82 million at the end of 2023 and USD 16.49 million at the end of 2024.

The main factors that support this performance include:

1. Operational efficiency and control of business expenses.
2. Consistency of cash receipts from operational activities with a positive trend (USD 30.7 million in 2021, USD 28.6 million in 2022, USD 22.3 million in 2023 and USD 25.8 million in 2024).
3. Stable contribution of other income and gradual reduction in financial burden.

Strategic Direction and Business Prospects

As part of a long-term strategy to increase competitiveness and create added value for shareholders, the Company's management has set the following strategic directions:

1. Product diversification with a focus on technical and sustainable (eco-friendly) textiles.
2. Optimizing assets and working capital through production process efficiency.
3. Implementing sustainability principles (ESG) in the production value chain.
4. Adjusting cost structures and strengthening domestic market penetration.

Quasi-Reorganization Considerations

In connection with the continued recording of Negative Retained Earnings of USD 65,588,618 as of December 31, 2024 and 65,240,235 as of March 31, 2025, and the Company's performance starting to improve in 2021 to March 2025. Despite the recording of comprehensive profits in recent years, the Company is considering implementing a Quasi-Reorganization Plan. The purpose of this plan is to eliminate historical and non-recurring Negative Retained Earnings, so that the Company's financial position report can better reflect actual performance and sustainable long-term prospects..

With this Quasi Reorganization step, it is hoped that the Company can:

1. Increase flexibility in setting future dividend policies.
2. Attract strategic partners and potential investors with healthier financial statements.
3. Encourage more aggressive business expansion in the medium term.

This step will be carried out while still paying attention to applicable capital market laws and regulations, and obtaining approval from shareholders through the Extraordinary General Meeting of Shareholders mechanism.

F. Information Regarding the Company's Business Activity Plan to Improve Future Financial Performance

1. Business Prospects

The Company projects that business recovery and growth will be supported by increased production capacity utilization, strengthening the domestic market, and adjusting business strategies to the direction of national textile industry policy. From 2025 to 2030, machine capacity utilization is targeted to increase gradually, with woven fabric utilization projected to increase from 47% in 2024 to 75% in 2030, knitted fabric capacity from 26% to 42%, and yarn capacity from 23% to 30%. This capacity increase is expected to align with growth in domestic production and sales volume.

External conditions, such as the tightening of imports of finished textile goods through the provisions of Minister of Trade Regulation No. 17 of 2025, and the decline in the number of domestic textile factories due to the crisis that hit the national textile industry, created a strategic opportunity for the Company to expand its domestic market share. In line with this, a digital distribution strategy was implemented to reach customers in various regions, including remote areas, in an efficient and measurable manner.

Financially, the Company's business prospects are reflected in the direction of improvement in key performance indicators. Net sales are projected to grow from USD 25.85 million in 2024 to USD 38.59 million in 2030, while gross profit margin increases from 15.32% to 18.95%. Current year profit is projected to improve from USD 674.6 thousand in 2024 to USD 1.72 million in 2030, with net profit margin also increasing from 2.61% to 4.47%. The Company's EBITDA also recorded a positive trend with a projected margin reaching 18.05% to 18.95% in the 2025–2030 period.

In addition, the Company's capital structure and liquidity have significantly improved, with the current ratio increasing from 1.20 in 2024 to 1.53 in 2030, and the debt-to-equity ratio decreasing from 0.83 to 0.45 over the same period. Operating cash flow is also projected to be positive and stable, averaging between USD 4.8 million and USD 8.3 million per year, sufficient to cover capital expenditures and long-term loan repayments.

This conservative and efficiency-based direction of business growth is the basis for management's optimism regarding the Company's future business sustainability prospects.

2. Business Strategy

To sustainably improve financial performance and address the challenges facing the national textile industry, the Company has developed a measurable strategic direction focused on efficiency, operational growth, and strengthening the domestic market. This strategy is divided into five main pillars, which will be implemented in stages through 2030.

a. Maximizing Machine Capacity Utilization

In 2024, the new machine production capacity will reach 47%, the Company plans to maximize the machine production capacity gradually by 4% to 5% per year until it reaches a productive capacity of 75% in 2030. This gradual increase is a strategic step to align with the sales target that continues to grow, driven by a loyal customer base.

b. Boosting Domestic Sales

The Company strategically shifted its focus to increasing domestic sales in response to several external pressures and internal opportunities. This move was a direct consequence of the global economic crisis, marked by trade wars and international conflicts, resulting in a decline in export demand and a significant spike in logistics costs, including shipping costs for export sales.

The domestic market also presents its own challenges, particularly the influx of cheap imports from China. To address these challenges, the Company strives to compete by offering competitive prices through strategic measures such as machine regeneration, implementing green industry practices, and cost efficiency. These efforts, detailed in the following points (c, d, and e), are crucial to maintaining profitability.

The government also supports the domestic textile industry through Minister of Trade Regulation No. 17 of 2025 concerning the Policy and Regulation of Textile and Textile Product Imports, which aims to limit imports of textile products. This is expected to support the Company's shift in focus to the domestic market.

Another factor considered to support the Company's focus is the closure of several textile factories in Indonesia, which the Company considers a blessing in disguise. This consolidation of market supply presents an opportunity for the Company to capture market share vacated by these closed factories.

c. Green Industry

In the green industry, the Company is gradually converting from fuel oil (BBM) to gas, and gradually using solar energy, this step is in line with the Minister of Industry Regulation No. 9 of 2023 concerning the target of reducing greenhouse gas emissions by 29% by 2030. This conversion has a significant impact on production costs due to cheaper gas prices and more efficient energy use. In addition, the cost of processing industrial waste is smaller because it is more environmentally friendly. Ultimately, these efforts lead to the Company's commitment to "go green".

d. Machine Regeneration

Currently, the Company is gradually carrying out machine regeneration to achieve the following goals:

1. Increasing machine production capacity. The company can increase production capacity by regenerating old machines.
2. Optimizing direct labor. This can be done by ensuring that new automated machines utilize the existing workforce more optimally.
3. Reduced energy costs. This reduction can be achieved by using new automated machines that are more energy efficient and cheaper, such as gas and solar power, compared to older, more energy-intensive machines.
4. Reduced production machine repair costs. Older machines require higher repair costs, and spare parts are often unavailable. Newer automated machines have a longer economic lifespan and a lower risk of breakdowns.
5. Improve production quality. New automation machines use more advanced and digitalized technology, resulting in higher-quality products.

e. Cost Efficiency

The Company will optimize and reduce production and operational costs, as outlined above. These savings include gas and solar power, industrial waste management, labor costs, repair and maintenance costs, and efficiency improvements based on factory production cost evaluations.

The Company, in increasing sales and saving costs, is carrying out digitalization, for example, maximizing digital sales efforts which are expected to provide wider reach to domestic consumers and even reach remote areas of Indonesia at a more efficient cost.

Through the implementation of these five strategies, the Company targets an improvement in net profit margin from 2.61% in 2024 to 4.47% in 2030, with a total accumulated current year profit of USD 7.29 million during the 2025–2030 period. This strategy is not only aimed at improving short-term performance, but also ensuring business sustainability and creating long-term value for shareholders. With a policy direction focused on sustainability, efficiency, and market orientation, the Company is optimistic that it can maintain business continuity and increase value for shareholders in the future.

G. Positive Impact of Quasi-Reorganization

The positive impact of the implementation of the Quasi-Reorganization Plan on the Company's equity position is that it enables the Company to start a healthier financial condition, with a financial position report that is no longer burdened by historical deficit balances.

The pro forma consolidated statement of financial position in connection with the quasi-reorganization as of March 31, 2025, before and after the implementation of the Quasi-Reorganization Plan, has been reviewed by the Public Accounting Firm Johannes Juara & Rekan in accordance with Assurance Engagement Standard 3000 established by the Indonesian Institute of Certified Public Accountants, as stated in report No. 075/HM/25 as follows:

Description	31 March 2025 (In USD)	
	Before the Quasi-Reorganization (Audited)	After Quasi-Reorganization (Proforma)
ASSETS		
Current Assets		
Cash and bank	113.58	113.58
Short-term investments	4.451	4.451
Trade receivables, net	2.921.23	2.921.23
Other receivables - third parties	4.946	4.946
Inventories, net	19.420.592	19.420.592
Prepaid taxes	4.278	4.278
Prepaid expenses	273.991	273.991
Advance payments	86.682	86.682
Total current assets	22.829.759	22.829.759
NON CURRENT ASSETS		
Deferred tax assets	1.090.906	1.090.906

Estimated claims for tax refund	449.088	449.088
Fixed assets, net	23.302.171	23.302.171
Other non-current assets	219.166	219.166
Total non-current assets	25.061.331	25.061.331
TOTAL ASSETS	47.891.090	47.891.090
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Short term bank loans	14.066.059	14.066.059
Trade payables	2.837.161	2.837.161
Other payables - third parties	59.219	59.219
Taxes payable	40.953	40.953
Advances from customer	238.512	238.512
Accrued expenses	990.762	990.762
Current portion of long-term liabilities:		
Consumer financing liabilities	179.050	179.050
Total current liabilities	18.411.716	18.411.716
NON-CURRENT LIABILITIES		
Other payables		
Related parties	11.980.944	11.980.944
Third parties	244.122	244.122
Long-term liabilities - net of current portion:		
Consumer financing liabilities	416.016	416.016
Total non-current liabilities	12.641.082	12.641.082
TOTAL LIABILITIES	31.052.798	31.052.798
EQUITY		
Equity attributable to the owners of the parent entity:		
Share capital	76.794.149	16.126.771
Additional paid-in capital	5.284.008	711.151
Deficits	(65.240.235)	-
Sub-total	16.837.922	16.837.922
Non-controlling interest	370	370
TOTAL EQUITY	16.838.292	16.838.292
TOTAL LIABILITIES AND EQUITY	47.891.090	47.891.090

H. Accountant's Report Regarding the Engagement on the Pro Forma Summary of Consolidated Financial Information After the Implementation of the Quasi-Reorganization Plan

Public Accounting Firm Johannes Juara & Rekan in its report No. 075/HM/25 dated August 8, 2025 regarding the Independent Assurance Report with Limited Assurance on the Proforma Interim Consolidated Financial Position Statement of the Company and Subsidiaries dated March 31, 2025 after the implementation of the Quasi-Reorganization Plan, stated that there were no matters that came to the Accountant's attention that caused the Accountant to believe, in all material respects, that the proforma interim consolidated financial position statement after the quasi-reorganization on March 31, 2025, did not comply with the provisions of Regulation No. IX.L.1 which is an Attachment to the Decree of the Chairman of Bapepam-LK No. KEP/718/BL/2012 dated December 28, 2012 concerning Quasi-Reorganization.

I. Accountant's Opinion Regarding the Suitability of Implementing the Procedures for Implementing the Quasi-Reorganization Plan

Public Accounting Firm Johannes Juara & Rekan, in its report No. 076/FJ/25 dated August 8, 2025 regarding the Independent Assurance Report with Limited Assurance on the Suitability of the Implementation of Procedures and Provisions in the Implementation of the Quasi-Reorganization Plan of the Company and Subsidiaries dated March 31, 2025, stated that there were no matters that came to the Accountant's attention that caused the Accountant to believe, in all material respects, that the implementation of the procedures and provisions of the quasi-reorganization plan of the Company and Subsidiaries dated March 31, 2025 did not comply with the procedures and provisions as required in Regulation IX.L.1. which is an Attachment to the Decree of the Chairman of Bapepam-LK No. KEP/718/BL/2012 dated December 28, 2012 concerning Quasi-Reorganization.

4. EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

In connection with the Quasi-Reorganization Plan as explained in this Information Disclosure, the Company intends to seek approval from shareholders through an Extraordinary General Meeting of Shareholders ("EGMS") which will be held on Wednesday, September 17, 2025, while still observing the provisions stipulated in the Company's Articles of Association.

For information, important dates related to the holding of the Company's EGMS can be seen in the following schedule table:

EVENTS	DATE
Notification to the Financial Services Authority regarding the agenda of the EGMS and the Quasi-Reorganization plan	29 July 2025
Notification of the EGMS agenda to the Financial Services Authority	04 August 2025
Announcement of the EGMS and Announcement of information disclosure to shareholders	11 August 2025
Shareholder Registration Date (Recording Date)	25 August 2025
Invitation of EGMS	26 August 2025
The Implementation of the Extraordinary General Meeting of Shareholders (EGMS)	17 September 2025
Announcement of Capital Reduction through National Newspapers	24 September 2025
The final date for submission of objections by creditors to the Company	24 November 2025
Estimated date of obtaining approval from the Minister of Law and Human Rights (assuming no creditors file objections to the Company).	25 November 2025
Estimated date of implementation of quasi-reorganization (implemented after obtaining approval from the Minister of Law and Human Rights)	25 November 2025

5. RECOMMENDATIONS OF THE BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS OF THE COMPANY

The Company's Board of Directors and Board of Commissioners recommend to all shareholders to approve the Quasi-Reorganization Plan as set forth in this Disclosure of Information. In making this recommendation to shareholders, the Company's Board of Directors and Board of Commissioners have reviewed the benefits of the Quasi-Reorganization Plan and therefore believe that implementing the Quasi-Reorganization Plan is the best option for the Company and all shareholders.

6. ADDITIONAL INFORMATION

Shareholders who wish to obtain further information regarding the Quasi-Reorganization Plan may contact the Company during business hours (8:00 AM to 4:00 PM Western Indonesian Time) on business days at the Company's office at the following address:

Headquarters:

Jl. H. Fachruddin No.16
Jakarta 10250, Indonesia
Telephone : (021) 316 0238
Facsimile: (021) 316 0260
Email : evershine@evershinetex.com
Website : www.evershinetex.com

Jakarta, August 11, 2025

Sincerely,

The Board of Directors of the Company