

8th August 2019

President
The Stock Exchange of Thailand

Subject: Acquisition of Integrated Oxides and Derivatives Businesses/ Assets

Enclosure: Information concerning the Acquisition of Businesses/Assets by Indorama Ventures Public Company Limited (Schedule 1)

The Board of Directors' Meeting No. 6/2019 of Indorama Ventures Public Company Limited ("IVL" or the "**Company**") held on July 29, 2019 has passed a resolution to approve the acquisition of certain integrated Oxides and Derivatives businesses/assets from Huntsman Corporation, USA, a listed entity on New York Stock Exchange and/or its wholly owned subsidiary(ies) (whether directly or indirectly) (the "**Seller's Subsidiaries**") (collectively referred as the "**Seller**"), located in: (i) Port Neches, TX, USA. ("**Port Neches Facility**"); (ii) Dayton, TX, USA ("**Dayton Facility**"); (iii) Alvin (Chocolate Bayou), TX, USA ("**Chocolate Bayou Facility**"); (iv) Botany, New South Wales, Australia ("**Botany Facility**"); and (v) Ankleshwar, India ("**Ankleshwar Facility**"), which manufacture the following key products: Ethylene Oxide (EO), Propylene Oxide (PO), Glycols, Ethanolamines (EOA), Surfactants, Linear Alkylbenzene (LAB), and Methyl Tertiary-butyl Ether (MTBE), including certain R&D Centers, patents and technology (collectively referred to as the "**Acquired Businesses/Assets**") by the Company and/or the Acquisition Subsidiaries (as defined in the enclosure) (collectively referred to as the "**Transaction**").

As Huntsman is a listed entity, in order to ensure parity of information in the two markets, the Company, therefore, discloses the Transaction today simultaneously with those disclosed by Huntsman, on signing of the definitive agreements.

The Transaction will broaden IVL's expertise of operating US Gulf Coast (USGC) Integrated Oxides facility through operational excellence, global scale, differentiated formulations and technologies and fits into its growth segments of Integrated EOs and the Specialty Chemicals portfolio consisting of both Ethylene Oxide and Propylene Oxide platforms. The acquired businesses is fully integrated downstream in Surfactants used in personal home care and in Propylene Oxides used in insulation and foam materials. These leading downstream businesses will be the core platform for continuous growth in selective upstream & downstream integration over the next 5-10 years.

On a proforma basis, this acquisition will add 25% to IVL's 2018 core EBITDA and also 23% of additional manufacturing capacity in higher-margin businesses.

The purchase price is based on an enterprise value of USD 2.0 billion and up to USD 76 million in pension obligations.

The Transaction is considered an acquisition of assets in accordance with the Notification of the Capital Market Supervisory Board No. Tor Jor. 20/2551, Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (A.D. 2004) (as amended) (collectively referred to as the "**Acquisition or Disposal Notification**"). According to the Acquisition or Disposal Notification, the Company



needs to calculate the transaction size percentage by considering four criteria. The total size of the Transaction calculated based on the total value of consideration criterion, gives the highest transaction value of 16.26 percent, and after computation with the transaction size of the Company's other acquisition transactions within the past 6 months, is equivalent to 16.88 percent, based on the value of total assets in the consolidated financial statement ended March 31, 2019, the size of which falls in between 15–50 percent, and shall be determined as a Class 2 transaction under the Acquisition or Disposal Notification. Thus, the Company is required to disclose certain information to the Stock Exchange of Thailand (SET) and circulate the information to shareholders within 21 days from the date of disclosure, the details of which are provided in Schedule 1 as attached.

For further information you may refer to our website where a presentation on the Acquisition of Huntsman's Integrated EO/PO Assets has been uploaded.

Please be informed accordingly.

Sincerely yours,

(Mr. Souvik Roy Chowdhury)
Company Secretary

Information concerning the Acquisition of Businesses/Assets by Indorama Ventures Public Company Limited (Schedule 1)**1. Transaction Date**

The Company and/or Indorama Ventures Holdings LP, an indirect subsidiary of the Company and the Seller entered into an Equity and Asset Purchase Agreement on 7th August 2019 in relation to the proposed Transaction. The Company expects the closing of the Transaction to be during the Q4/2019 subject to the applicable regulatory approvals.

2. Parties involved and Relationship with the Company

Purchaser: Indorama Ventures Public Company Limited and/or Indorama Ventures Holdings LP (the “**Acquisition Subsidiaries**”) (as the case may be)

Sellers: Huntsman Corporation or the Seller’s Subsidiaries (as the case may be)

Relationship with the Company: None of the parties are considered to be a related person and are not connected persons under the Notification of the Capital Market Supervisory Board No. Tor Chor. 21/2551, Re: Rules on Connected Transactions dated August 31, 2008 and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies concerning Connected Transactions, B.E. 2546 (A.D. 2003) dated November 19, 2003 (as amended).

3. Total value of assets being acquired

The total value of consideration for the Transaction is USD 2 Billion (equivalent to approximately 61,960 Million Baht)¹. The amount shall be paid in cash.

Further, the Company shall also assume pension obligations of up to approximately USD 76 Million (equivalent to approximately 2,354 Million Baht).

4. Criteria used to determine the value of assets being acquired

The consideration was arrived at after negotiation between the Company and the Seller and took into account the fundamental intrinsic value of the assets and business based on historical and potential earnings and cash flow of the business. It has been valued by a range of valuation methods including relative valuation as reflected by relevant trading companies, precedent transactions and discounted cash flows.

5. The General Characteristics of Transaction and Transaction Size**5.1 General Characteristics of Transaction**

The Seller, a publicly traded global manufacturer and marketer of differentiated and specialty chemicals, with multiple manufacturing facilities. As part of the Transaction arrangement, the Seller will carve out some of its assets / businesses located in (i) Port Neches, TX, USA (“**Port Neches Facility**”); (ii) Dayton, TX, USA (“**Dayton Facility**”); (iii) Alvin (Chocolate Bayou), TX, USA (“**Chocolate Bayou Facility**”); (iv) Botany, New South Wales, Australia (“**Botany Facility**”); and (v) Ankleshwar, India (“**Ankleshwar Facility**”).

¹ It is based on the exchange rate of 1 USD = Baht 30.980 as at 26th July 2019, and this rate will be used as reference only and will be used throughout this document

The combined production capacity of the Acquired Businesses/Assets is approximately 3 Million Metric Tons per annum. The acquisition structure and details of the products location wise are provided in Item 6 below. Moreover, the Acquired Businesses/Assets come with 269 patents with further 191 patents pending approval.

In addition, the Transaction shall be a combination of business and asset purchase. In case of equity purchase, there will be no major obligations attached other than those related to normal business operation, including the pension obligations.

5.2 Type and Size of Transaction

The Transaction size of 16.26 percent calculated based on the total value of consideration criterion, which gives the highest transaction value, and after computation with the transaction size of the Company's other acquisition transactions within the past 6 months, is equivalent to 16.88 percent, which is based on the value of total assets in the consolidated financial statement ended March 31, 2019. This 16.88 percent transaction size falls in between 15-50 percent which shall be determined as Class 2 transaction under the Acquisition or Disposal Notification.

Details on the Transaction size calculation can be summarized as follows:

Criteria	Calculation	Size of Transaction (percent)
1. The net asset value of the tangible assets (NTA)	$\frac{(\text{NTA of assets being acquired} \times \text{proportion of acquisition}) \times 100}{\text{NTA of the listed company}}$	Not applicable since the acquired businesses/ assets is a combination of business and assets carved out from the Seller's total businesses.
2. The net profits	$\frac{(\text{Net operating profit of the assets/ business being acquired}) \times \text{proportion of acquisition} \times 100}{\text{Net operating profit of the listed company}}$	Not applicable since the acquired businesses/ assets are carved out from the Seller's total businesses. Depreciation and amortization, finance costs, and Taxes for the carved out businesses/ assets is not determinable to calculate the Net profit.
3. The value of the consideration given or received	$\frac{\text{The value of consideration given or received} \times 100}{\text{Total assets of the listed company}}$	16.26%

Criteria	Calculation	Size of Transaction (percent)
4. The number of shares issued as the consideration of the acquired assets	$\frac{\text{Equity shares issued for the payment of assets} \times 100}{\text{Paid-up shares of the company}}$	Not applicable since the Company does not issue any securities as the consideration

6. Detail of Assets Acquired

6.1 General Information

6.1(i) Port Neches Manufacturing Facility

Location	2701 TX-136 Spur, Port Neches, Texas, USA	
Production capacity		(KMT ² per Annum)
	Ethylene	218
	Propylene	64
	Ethylene Oxide	590
	Ethylene Glycol	404
	Diethylene Glycol (DEG)	39
	Surfactants	263
	Propylene Oxide	238
	Methyl Tertiary-Butyl Ether (MTBE)	731
	Propylene Glycol	66
	Ethanolamines (EOA) (Monoethanolamine (MEA), Diethanolamine (DEA), Triethanolamine (TEA))	181
Land	2,840 Acres	
Infrastructure and Logistics	Rail, truck, barge and pipeline	

6.1(ii) Dayton Manufacturing Facility

Location	2892 US Highway 90, Dayton, Texas, USA	
Production capacity		(KMT per Annum)
	Surfactants	36
Land	270 Acres	
Infrastructure and Logistics	Rail and truck	

6.1(iii) Chocolate Bayou Manufacturing Facility

Location	FM Road 2917, Alvin, Texas, USA	
Production capacity		(KMT per Annum)
	LAB & Alkylates	181
Land	6 Acres	
Infrastructure and Logistics	Rail, truck, barge and pipeline	

² KMT means Kilo Metric Ton or 1,000 Metric Tons

6.1(iv) Botany Manufacturing Facility

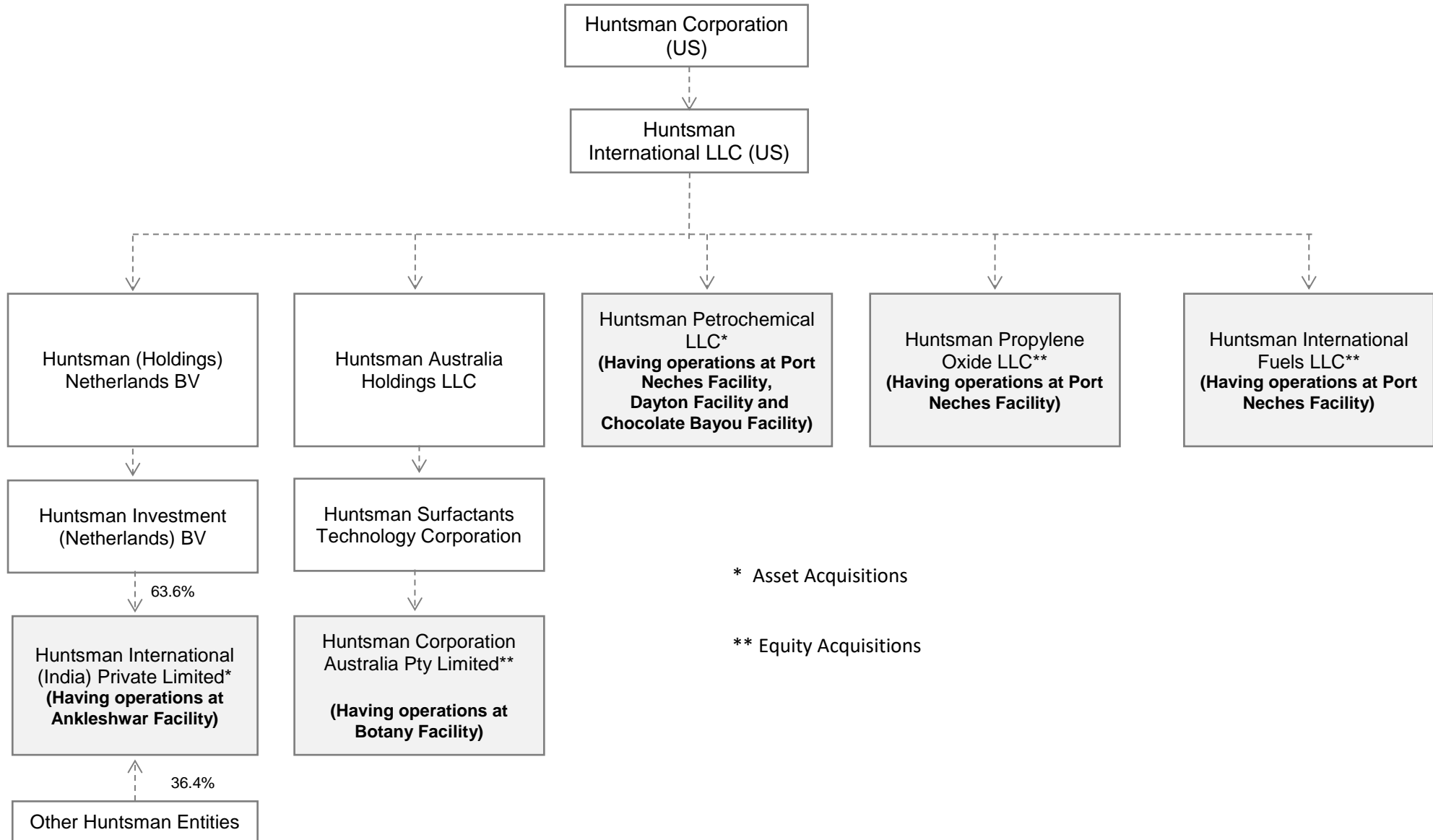
Location	77 Denison Street, Hillsdale, New South Wales, Australia	
Production capacity	Ethylene Oxide Surfactants Glycol Ethers Glycols	(KMT per Annum) 45 45 7 23
Land	14 Acres	
Infrastructure and Logistics	Truck and pipeline	

6.1(v) Ankleshwar Manufacturing Facility

Location	Plot No. 321, Gujarat Industrial Development Corporation, Panoli, Ankleshwar, Gujarat, India	
Production capacity	Surfactants & Amines	(KMT per Annum) 16
Land	5 Acres	
Infrastructure and Logistics	Truck	

6.2 Holding Structure of the Acquired Business

Before the Transaction, the holding structure of the Acquired Businesses/Assets is as follows:



6.3 Summary of the Financial Information and Business Operating Results on Proforma* basis

Since it is a combination of assets and business acquisition, for a better understanding of the financial performance, the table below gives the consolidated proforma position of the Acquired Businesses/Assets.

- (i) As of March 2019, total net assets** of the Acquired Businesses/Assets were approximately USD 889 Million (equivalent to approximately 27,541 Million Baht)
- (ii) Financial Highlights** of the Acquired Businesses/Assets are as below:

Unit: USD (in Million)

Items	2016	2017	2018
Profoma Revenue	1,511 (~46,810 Million Baht)	1,830 (~56,693 Million Baht)	1,969 (~60,999 Million Baht)
Profoma EBITDA	291 (~9,015 Million Baht)	317 (~9,820 Million Baht)	363 (~11,245 Million Baht)

*As the Acquired Businesses/Assets are carved out from the Seller's total businesses

** Source of information – Based on Financial Report from Seller's Advisor

*** LTM Q1/2019 means the last twelve months period from April 1, 2018 to March 31, 2019

7. Expected Benefits

This Transaction would be a strategic fit to enhance IVL's new growth engines – Integrated EOs (previously named "Olefins") and Specialty chemicals businesses and allow immediate synergies with IVL's Oxides and Olefins business in USA, namely Indorama Ventures (Oxides & Glycols) LLC ("IVOG") and Indorama Ventures Olefins LLC ("IVOL"), provide skilled and technical knowhow and give the opportunity to tap into new markets and products such as polyurethanes, agrochemicals, oilfield, fuel and lube additives.

It will also broaden IVL's expertise in operational excellence, global scale, differential formulations, technologies and geographic reach for EO, EOD and Specialty Chemicals and achieve diversified and steady cash flows.

8. Source of Funds

The Transaction of USD 2 Billion will be funded from the Company's own internal resources and the Company will enter into the bridge loan facility agreement with financial institution(s) for the total amount of up to USD 1,500 Million. In the latter case, there is no condition in the financing agreements that will have an effect on the rights of the Company's Shareholders.

9. Opinion of the Board of Directors concerning the decision to enter into a transaction

The Board of Directors unanimously considered and approved the **Transaction** as appropriate and beneficial to the Company as stated in clause 7 above.

10. Opinion of the Audit Committee and/or the Director of the Company which is different from the opinion of the Board of Directors in Clause 9

None.

- 11. Interests or connected transactions between the Company and directors, management and shareholders directly or indirectly holding shares amounting to 10 percent to more**

None.

- 12. Pending material lawsuits or claims relating to the business acquisition**

None.

- 13. Additional Remarks**

None.