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FIRST PACIFIC COMPANY LIMITED

第一太平有限公司

(Incorporated with limited liability under the laws of Bermuda)

Website: <http://www.firstpacific.com>

(Stock Code: 00142)

DISCLOSEABLE AND CONNECTED TRANSACTION

SALE OF SHARES IN CHINA MINZHONG FOOD CORPORATION LIMITED BY INDOFOOD

SALE AND PURCHASE AGREEMENT

On 26 April 2017, Indofood and CMZ BVI entered into a sale and purchase agreement, pursuant to which Indofood has agreed to sell, and CMZ BVI has agreed to purchase, 196,249,971 CMZ Shares, representing approximately 29.94% of the issued share capital of CMZ, at a price of S\$1.20 (equivalent to approximately US\$0.86 or HK\$6.69) per CMZ Share for an aggregate consideration of S\$235,499,965 (equivalent to approximately US\$168.2 million or HK\$1.3 billion).

The aggregate consideration of S\$235,499,965 (equivalent to approximately US\$168.2 million or HK\$1.3 billion) payable by CMZ BVI to Indofood is to be settled in cash in the following manner:

- (a) the sum of S\$82,425,000 (equivalent to approximately US\$58.9 million or HK\$459.2 million), less 50% of the stamp duty payable in connection with the execution of the CMZ SPA, shall be paid by CMZ BVI to Indofood on or before 26 June 2017 (the “**First Instalment Date**”), being the date falling two (2) months from the execution of the CMZ SPA;
- (b) the sum of S\$35,325,000 (equivalent to approximately US\$25.2 million or HK\$196.8 million) shall be paid by CMZ BVI to Indofood on or before the date falling six (6) months from the First Instalment Date;

- (c) the sum of S\$47,100,000 (equivalent to approximately US\$33.6 million or HK\$262.4 million) shall be paid by CMZ BVI to Indofood on or before the date falling twelve (12) months from the First Instalment Date; and
- (d) the sum of S\$70,649,965 (equivalent to approximately US\$50.5 million or HK\$393.6 million) shall be paid by CMZ BVI to Indofood on or before the date falling eighteen (18) months from the First Instalment Date.

Completion of the CMZ Share Sale took place on 26 April 2017. Immediately following Completion, Indofood has ceased to own any shares in CMZ.

In accordance with the requirements of the CMZ SPA, at Completion:

- (a) CMZ BVI executed a share charge over all the CMZ Sale Shares in favour of Indofood;
- (b) Mr. Lin Guo Rong and Ms. Lin Xiu Qin executed a personal guarantee in favour of Indofood;
- (c) Mr. Liu Wen Wen and Ms. Zhu Li executed a personal guarantee in favour of Indofood; and
- (d) Mr. Siek Wei Ting executed a personal guarantee in favour of Indofood,

in each case, as a continuing security for the performance and discharge of all of CMZ BVI's obligations to Indofood under the CMZ SPA.

Mr. Lin Guo Rong and Mr. Siek Wei Ting are directors of CMZ BVI. Mr. Liu Wen Wen is the son of Mr. Lin Guo Rong. Ms. Lin Xiu Qin and Ms. Zhu Li are the respective spouses of Mr. Lin Guo Rong and Mr. Liu Wen Wen.

IMPLICATIONS UNDER THE LISTING RULES

As the highest of the applicable percentage ratios in respect of the CMZ Share Sale, on a stand-alone basis, exceeds 5% but is less than 25%, the CMZ Share Sale constitutes a discloseable transaction for the Company and is, therefore, subject to the announcement requirement under Chapter 14 of the Listing Rules. If the CMZ Share Sale is aggregated with the disposal of 543,252,517 CMZ Shares by Indofood as a result of Indofood's acceptance of the Offer, as referred to in the Company's announcement dated 7 September 2016, the aggregated transaction remains a discloseable transaction.

CMZ BVI is beneficially wholly-owned by Mr. Lin Guo Rong, Executive Chairman and Chief Executive Officer of CMZ. CMZ was a subsidiary of Indofood before the Offer and ceased to be a subsidiary of Indofood and the Company upon settlement of the consideration in respect of the CMZ Shares tendered by Indofood in acceptance of the Offer on 16 December 2016. Therefore, Mr. Lin Guo Rong is a connected person of the Company at the subsidiary level, and CMZ BVI, being an associate of Mr. Lin Guo Rong, is also a connected person of the Company at the subsidiary level.

The CMZ Share Sale is a transaction with a person connected only at the subsidiary level and is on normal commercial terms. The Directors (including the independent non-executive Directors) consider that the CMZ Share Sale, although not in the ordinary and usual course of business of the Group, is on normal commercial terms, and that the terms of the CMZ Share Sale are fair and reasonable and in the interests of the Company and its shareholders as a whole. The Directors (including the independent non-executive Directors) have approved the CMZ Share Sale. Therefore, the CMZ Share Sale is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but is exempt from the circular, independent financial advice and independent shareholders' approval requirements.

INTRODUCTION

Reference is made to the Company's announcements dated 7 September 2016, 21 October 2016 and 9 December 2016 and the Company's circular dated 28 September 2016 regarding the implementation agreement in relation to the sale of interest in CMZ by Indofood.

As contemplated by the Company's announcement dated 9 December 2016, following the tendering of 543,252,517 CMZ Shares by Indofood in acceptance of the Offer, Marvellous BVI issued to Indofood Exchangeable Bonds in the aggregate principal amount of approximately S\$235.5 million (equivalent to approximately US\$168.2 million or HK\$1.3 billion), which have been exchanged for 196,249,971 CMZ Shares, representing approximately 29.94% of the issued share capital of CMZ.

On 26 April 2017, Indofood and CMZ BVI entered into a sale and purchase agreement, pursuant to which Indofood has agreed to sell, and CMZ BVI has agreed to purchase, 196,249,971 CMZ Shares, representing approximately 29.94% of the issued share capital of CMZ, at a price of S\$1.20 (equivalent to approximately US\$0.86 or HK\$6.69) per CMZ Share for an aggregate consideration of S\$235,499,965 (equivalent to approximately US\$168.2 million or HK\$1.3 billion).

SALE AND PURCHASE AGREEMENT

The principal terms of the CMZ SPA are as follows:

Date

26 April 2017

Parties

Seller : Indofood

Purchaser : CMZ BVI

Subject Matter

Indofood has agreed to sell, and CMZ BVI has agreed to purchase, the CMZ Sale Shares, representing approximately 29.94% of the issued share capital of CMZ, at a price of S\$1.20 (equivalent to approximately US\$0.86 or HK\$6.69) per CMZ Share for an aggregate consideration of S\$235,499,965 (equivalent to approximately US\$168.2 million or HK\$1.3 billion).

Consideration

The aggregate consideration of S\$235,499,965 (equivalent to approximately US\$168.2 million or HK\$1.3 billion) payable by CMZ BVI to Indofood is to be settled in cash in the following manner:

- (a) the sum of S\$82,425,000 (equivalent to approximately US\$58.9 million or HK\$459.2 million), less 50% of the stamp duty payable in connection with the execution of the CMZ SPA, shall be paid by CMZ BVI to Indofood on or before 26 June 2017 (the “**First Instalment Date**”), being the date falling two (2) months from the execution of the CMZ SPA;
- (b) the sum of S\$35,325,000 (equivalent to approximately US\$25.2 million or HK\$196.8 million) shall be paid by CMZ BVI to Indofood on or before the date falling six (6) months from the First Instalment Date;
- (c) the sum of S\$47,100,000 (equivalent to approximately US\$33.6 million or HK\$262.4 million) shall be paid by CMZ BVI to Indofood on or before the date falling twelve (12) months from the First Instalment Date; and
- (d) the sum of S\$70,649,965 (equivalent to approximately US\$50.5 million or HK\$393.6 million) shall be paid by CMZ BVI to Indofood on or before the date falling eighteen (18) months from the First Instalment Date.

The price of S\$1.20 (equivalent to approximately US\$0.86 or HK\$6.69) per CMZ Share, which is the same as the offer price in the Offer and the sale price stated in the MOU, was arrived at after arm's length negotiations on a willing seller, willing buyer basis.

Completion

Completion of the CMZ Share Sale took place on 26 April 2017.

Immediately following Completion, Indofood has ceased to own any shares in CMZ.

In accordance with the requirements of the CMZ SPA, at Completion:

- (a) CMZ BVI executed a share charge over all the CMZ Sale Shares in favour of Indofood;
- (b) Mr. Lin Guo Rong and Ms. Lin Xiu Qin executed a personal guarantee in favour of Indofood;
- (c) Mr. Liu Wen Wen and Ms. Zhu Li executed a personal guarantee in favour of Indofood; and
- (d) Mr. Siek Wei Ting executed a personal guarantee in favour of Indofood,

in each case, as a continuing security for the performance and discharge of all of CMZ BVI's obligations to Indofood under the CMZ SPA.

Mr. Lin Guo Rong and Mr. Siek Wei Ting are directors of CMZ BVI. Mr. Liu Wen Wen is the son of Mr. Lin Guo Rong. Ms. Lin Xiu Qin and Ms. Zhu Li are the respective spouses of Mr. Lin Guo Rong and Mr. Liu Wen Wen.

Others

Pursuant to the terms of the CMZ Share Charge, CMZ BVI shall not dispose of any part of the CMZ Sale Shares unless and until all of CMZ BVI's obligations to Indofood under the CMZ SPA have been performed and the CMZ Share Charge has been released.

REASONS FOR AND BENEFITS OF THE CMZ SHARE SALE

The return on Indofood's investment in CMZ has been lower than originally anticipated, principally due to the weak macroeconomic conditions globally, including in the PRC. The Board believes that the CMZ Share Sale is a good opportunity for the Group to further strengthen its financial position and is therefore beneficial to the Group.

None of the Directors has a material interest in the CMZ Share Sale. Accordingly, no Director has abstained from voting on the approval of the CMZ Share Sale.

IMPLICATIONS UNDER THE LISTING RULES

As the highest of the applicable percentage ratios in respect of the CMZ Share Sale, on a stand-alone basis, exceeds 5% but is less than 25%, the CMZ Share Sale constitutes a discloseable transaction for the Company and is, therefore, subject to the announcement requirement under Chapter 14 of the Listing Rules. If the CMZ Share Sale is aggregated with the disposal of 543,252,517 CMZ Shares by Indofood as a result of Indofood's acceptance of the Offer, as referred to in the Company's announcement dated 7 September 2016, the aggregated transaction remains a discloseable transaction.

CMZ BVI is beneficially wholly-owned by Mr. Lin Guo Rong, Executive Chairman and Chief Executive Officer of CMZ. CMZ was a subsidiary of Indofood before the Offer and ceased to be a subsidiary of Indofood and the Company upon settlement of the consideration in respect of the CMZ Shares tendered by Indofood in acceptance of the Offer on 16 December 2016. Therefore, Mr. Lin Guo Rong is a connected person of the Company at the subsidiary level, and CMZ BVI, being an associate of Mr. Lin Guo Rong, is also a connected person of the Company at the subsidiary level.

The CMZ Share Sale is a transaction with a person connected only at the subsidiary level and is on normal commercial terms. The Directors (including the independent non-executive Directors) consider that the CMZ Share Sale, although not in the ordinary and usual course of business of the Group, is on normal commercial terms, and that the terms of the CMZ Share Sale are fair and reasonable and in the interests of the Company and its shareholders as a whole. The Directors (including the independent non-executive Directors) have approved the CMZ Share Sale. Therefore, the CMZ Share Sale is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but is exempt from the circular, independent financial advice and independent shareholders' approval requirements.

FINANCIAL IMPACT OF THE CMZ SHARE SALE

The original acquisition cost of the CMZ Sale Shares to the Group was S\$1.20 (equivalent to approximately US\$0.86 or HK\$6.69) per CMZ Share.

The Group is not expected to recognize any significant gain or loss from the CMZ Share Sale because the proceeds from the CMZ Share Sale are expected to be similar to Indofood's book carrying cost in CMZ. The gross proceeds (before deduction of relevant transaction costs and expenses) from the CMZ Share Sale are expected to be approximately S\$235.5 million (equivalent to approximately US\$168.2 million or HK\$1.3 billion). The Group will use the sale proceeds from the CMZ Share Sale for repaying the loan borrowed to finance the acquisition of CMZ.

INFORMATION IN RELATION TO THE COMPANY AND INDOFOOD

The Company is a Hong Kong-based investment management and holding company with operations located in Asia-Pacific. Its principal business interests relate to telecommunications, consumer food products, infrastructure and natural resources.

Indofood is a leading Total Food Solutions company with operations in all stages of food manufacturing from the production of raw materials and their processing through to consumer products and distribution to the market. It is based and listed in Indonesia; its Consumer Branded Products subsidiary PT Indofood CBP Sukses Makmur Tbk and agribusiness subsidiaries PT Salim Ivomas Pratama Tbk and PT PP London Sumatra Indonesia Tbk are also listed in Indonesia. A subsidiary, Indofood Agri Resources Ltd. is listed in Singapore, and an agribusiness associate Roxas Holdings, Inc. is listed in the Philippines. Through its five complementary Strategic Business groups, Indofood manufactures and distributes a wide range of food products: Consumer Branded Products (noodles, dairy, snack foods, food seasonings, nutrition and special foods, and beverages), Bogasari (wheat flour and pasta), Agribusinesses (oil palm, rubber, sugar cane, cocoa and tea plantations, cooking oils, margarine and shortenings) and Distribution. Indofood is one of the world's largest manufacturers by volume of wheat-based instant noodles, one of the largest plantation companies by area and the largest flour miller in Indonesia. Indofood also has an extensive distribution network across Indonesia.

INFORMATION IN RELATION TO CMZ BVI

CMZ BVI is an investment holding company incorporated under the laws of the British Virgin Islands.

INFORMATION IN RELATION TO CMZ

CMZ is an integrated vegetable processing company in the PRC with three business segments which comprises of cultivation of vegetables, vegetable processing and branded products. CMZ's operations are strategically located across six provinces in the PRC. The company has industrialized farming facilities at three sites which allow the planting of vegetables without depending on erratic weather and climate conditions. CMZ is a public limited company incorporated in Singapore and was delisted from the Singapore Exchange Securities Trading Limited with effect from 28 February 2017.

Immediately before Completion, Indofood owned 196,249,971 CMZ Shares, representing approximately 29.94% of the issued share capital of CMZ. Immediately following completion, Indofood has ceased to own any shares in CMZ.

For the financial period from 1 July 2015 to 31 December 2016, the audited consolidated net profits before taxation of CMZ were approximately RMB336.6 million (equivalent to approximately US\$48.9 million or HK\$381.6 million) and the audited consolidated net profits after taxation of CMZ were approximately RMB279.0 million (equivalent to approximately US\$40.6 million or HK\$316.3 million).

For its financial year ended 30 June 2015, the audited consolidated net profits before taxation of CMZ were approximately RMB418.3 million (equivalent to approximately US\$60.8 million or HK\$474.2 million) and the audited consolidated net profits after taxation of CMZ were approximately RMB336.4 million (equivalent to approximately US\$48.9 million or HK\$381.4 million).

The audited consolidated net assets of CMZ as shown in its audited consolidated financial statements as at 31 December 2016 were RMB5.4 billion (equivalent to approximately US\$784.9 million or HK\$6.1 billion).

The financial statements for CMZ are prepared in accordance with Singapore Financial Reporting Standards.

DEFINITIONS

In this announcement, the following terms and expressions have the following meanings, unless the context requires otherwise:

“Board”	board of Directors of the Company;
“CMZ”	China Minzhong Food Corporation Limited, a public limited company incorporated in Singapore, which was delisted from the Singapore Exchange Securities Trading Limited with effect from 28 February 2017;
“CMZ BVI”	China Minzhong Holdings Limited, a company incorporated under the laws of the British Virgin Islands;
“CMZ Sale Shares”	the 196,249,971 CMZ Shares, representing approximately 29.94% of the issued share capital of CMZ, agreed to be sold by Indofood to CMZ BVI under the CMZ SPA;
“CMZ Share Charge”	the share charge executed by CMZ BVI on 26 April 2017 over all of the CMZ Sale Shares in favour of Indofood;
“CMZ Share Sale”	the sale of the CMZ Sale Shares by Indofood to CMZ BVI under the CMZ SPA;
“CMZ Shares”	ordinary shares in the share capital of CMZ;
“CMZ SPA”	the sale and purchase agreement dated 26 April 2017 entered into between Indofood as the seller and CMZ BVI as the purchaser in relation to the sale and purchase of the CMZ Sale Shares;
“Company”	First Pacific Company Limited, an exempted company incorporated in Bermuda and having its shares listed on The Stock Exchange of Hong Kong Limited;

“Completion”	completion of the CMZ Share Sale under the CMZ SPA;
“Director(s)”	the director(s) of the Company;
“Exchangeable Bonds”	the zero coupon mandatorily exchangeable bonds issued by Marvellous BVI on the settlement date(s) of the Offer;
“First Instalment Date”	has the meaning given to it in the section headed “Consideration” above in this announcement;
“Group”	the Company, and/or its subsidiaries, and/or its Philippine affiliates, from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Indofood”	PT Indofood Sukses Makmur Tbk, a company incorporated in Indonesia, which is a 50.1% owned subsidiary of the Group and which has its shares listed on the Indonesia Stock Exchange;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Marvellous BVI”	Marvellous Glory Holdings Limited, a company incorporated under the laws of the British Virgin Islands;
“MOU”	the memorandum of understanding dated 14 October 2015 entered into between Indofood and CMZ BVI in relation to the proposed sale of a 52.94% interest in CMZ by Indofood to CMZ BVI, the principal terms of which are summarized in the Company’s announcement dated 16 October 2015;
“Offer”	the voluntary general offer made by or on behalf of Marvellous BVI, to acquire all the issued CMZ Shares other than those already held by Marvellous BVI as of the date of the offer;

“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“S\$”	Singapore dollars, the lawful currency of Singapore;
“US\$”	United States dollars, the lawful currency of the United States of America; and
“%”	per cent.

By Order of the Board
First Pacific Company Limited
Nancy L.M. Li
Company Secretary

Hong Kong, 26 April 2017

Unless stated otherwise, translations of quoted currency values are made on an approximate basis and at the rate of US\$1.00 = S\$1.40 = RMB6.88 = HK\$7.8. Percentages and figures expressed have been rounded.

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:

Manuel V. Pangilinan, *Managing Director and CEO*
Edward A. Tortorici
Robert C. Nicholson

Non-executive Directors:

Anthoni Salim, *Chairman*
Benny S. Santoso
Tedy Djuhar
Ambassador Albert F. del Rosario

Independent Non-executive Directors:

Prof. Edward K.Y. Chen, *GBS, CBE, JP*
Margaret Leung Ko May Yee, *SBS, JP*
Philip Fan Yan Hok
Madeleine Lee Suh Shin