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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)

CONNECTED TRANSACTION

ACQUISITION OF LAND BY INDOFOOD GROUP

SALE AND PURCHASE AGREEMENTS

On 7 June 2017 (after trading hours), AIM, a subsidiary of Indofood, entered into two conditional sale and purchase agreements, with Mr. Salim and ADS, respectively. ADS is a company in which Mr. Salim has an aggregate effective interest of 100%.

Pursuant to the said conditional sale and purchase agreements, AIM has agreed to purchase six plots of land with a total area of 42,877 m² at a price of Rp51 million (equivalent to approximately US\$3,835 or HK\$29,910) per m² for an aggregate consideration of Rp2,186,727 million (equivalent to approximately US\$164.4 million or HK\$1,282.4 million).

Under the First Agreement, Mr. Salim has agreed to sell, and AIM has agreed to purchase, the AS Lands, with a total area of 23,380 m², at a price of Rp51 million (equivalent to approximately US\$3,835 or HK\$29,910) per m², for an aggregate consideration of Rp1,192,380 million (equivalent to approximately US\$89.6 million or HK\$699.3 million).

Under the Second Agreement, ADS has agreed to sell, and AIM has agreed to purchase, the ADS Lands, with a total area of 19,497 m², at a price of Rp51 million (equivalent to approximately US\$3,835 or HK\$29,910) per m², for an aggregate consideration of Rp994,347 million (equivalent to approximately US\$74.8 million or HK\$583.1 million).

DIRECTORS' VIEW

The Directors (including the independent non-executive Directors and except for Mr. Salim) are of the view that the terms of the Acquisition are fair and reasonable, and that the Acquisition is on normal commercial terms, in the ordinary course of business of the Group and in the interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

Mr. Salim is the Chairman of the Board, a substantial shareholder of the Company and the President Director and CEO of Indofood. ADS is a company in which Mr. Salim has an aggregate effective interest of 100% and an associate of Mr. Salim. Therefore, both Mr. Salim and ADS are connected persons of the Company and the Acquisition constitutes a connected transaction for the Company.

As one or more of the applicable percentage ratios in respect of the acquisitions under the First Agreement and the Second Agreement, on an aggregated basis, is 0.1% or more but all of the applicable percentage ratios are less than 5%, the Acquisition 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

On 7 June 2017 (after trading hours), AIM, a subsidiary of Indofood, entered into two conditional sale and purchase agreements, with Mr. Salim and ADS, respectively. ADS is a company in which Mr. Salim has an aggregate effective interest of 100%.

Pursuant to the said conditional sale and purchase agreements, AIM has agreed to purchase six plots of land with a total area of 42,877 m² at a price of Rp51 million (equivalent to approximately US\$3,835 or HK\$29,910) per m² for an aggregate consideration of Rp2,186,727 million (equivalent to approximately US\$164.4 million or HK\$1,282.4 million).

FIRST AGREEMENT

The principal terms of the First Agreement are as follows:

Date

7 June 2017

Parties

Seller : Mr. Salim

Purchaser : AIM

Subject Matter

Mr. Salim has agreed to sell, and AIM has agreed to purchase, the AS Lands, with a total area of 23,380 m², at a price of Rp51 million (equivalent to approximately US\$3,835 or HK\$29,910) per m², for an aggregate consideration of Rp1,192,380 million (equivalent to approximately US\$89.6 million or HK\$699.3 million).

Consideration

The aggregate consideration of Rp1,192,380 million (equivalent to approximately US\$89.6 million or HK\$699.3 million) under the First Agreement payable by AIM to Mr. Salim is to be settled in cash in the following manner:

- (a) 20% of the aggregate consideration, the amount of which being Rp238,476 million (equivalent to approximately US\$17.9 million or HK\$139.9 million), shall be paid by AIM to Mr. Salim within seven (7) days from the signing of the First Agreement; and
- (b) the balance of Rp953,904 million (equivalent to approximately US\$71.7 million or HK\$559.4 million) shall be paid by AIM to Mr. Salim no later than 31 December 2017.

Completion

Completion under the First Agreement will take place by 31 December 2017, subject to the fulfilment of the following conditions:

- (a) Mr. Salim has converted status of the AS Lands from *Hak Milik* (individual land ownership) title to *Hak Guna Bangunan* (general land ownership) title and has obtained a certificate of Hak Guna Bangunan;
- (b) Mr. Salim has obtained all required licences and/or approvals (if any) for the transaction contemplated under the First Agreement;
- (c) Mr. Salim has notified SIMP in writing of the transaction contemplated under the First Agreement; and
- (d) the Company has fulfilled its announcement and approval requirements for the transaction contemplated under the First Agreement.

On completion, the parties shall sign the deed of sale and purchase and Mr. Salim shall deliver to AIM the original ownership documents in respect of the AS Lands.

SECOND AGREEMENT

The principal terms of the Second Agreement are as follows:

Date

7 June 2017

Parties

Seller : ADS

Purchaser : AIM

Subject Matter

ADS has agreed to sell, and AIM has agreed to purchase, the ADS Lands, with a total area of 19,497 m², at a price of Rp51 million (equivalent to approximately US\$3,835 or HK\$29,910) per m², for an aggregate consideration of Rp994,347 million (equivalent to approximately US\$74.8 million or HK\$583.1 million).

Consideration

The aggregate consideration of Rp994,347 million (equivalent to approximately US\$74.8 million or HK\$583.1 million) under the Second Agreement is to be paid by AIM to ADS in cash within three (3) days from the signing of the Second Agreement.

Completion

Completion under the Second Agreement will take place on the date on which ADS receives the aggregate consideration of Rp994,347 million (equivalent to approximately US\$74.8 million or HK\$583.1 million) from AIM, subject to the fulfilment of the following conditions:

- (a) ADS has obtained all required licences and/or approvals (if any) for the transaction contemplated under the Second Agreement;
- (b) ADS has notified SIMP in writing of the transaction contemplated under the Second Agreement; and
- (c) the Company has fulfilled its announcement and approval requirements for the transaction contemplated under the Second Agreement.

On completion, ADS shall deliver to AIM the original land certificates in respect of the ADS Lands for the preparation and execution of the deed of sale and purchase.

REASONS FOR AND BENEFITS OF THE LAND ACQUISITION

The Purchased Lands are currently used by SIMP, a member of the Indofood Group, for its cooking oil production facilities, pursuant to a licence agreement with Mr. Salim and a lease agreement with ADS. Having received an offer from an independent third party to acquire the Purchased Lands for commercial development, Mr. Salim and ADS gave a priority offer to the Indofood Group as the existing lessee to acquire the Purchased Lands. The Indofood Group recognizes the importance of the availability of the Purchased Lands for SIMP to continue its cooking oil production business and decided to accept the offer. The Acquisition ensures the continuity of SIMP's cooking oil production operations and is therefore beneficial to the Indofood Group.

The price of Rp51 million (equivalent to approximately US\$3,835 or HK\$29,910) per m² was determined after arm's length negotiations on normal commercial terms with reference to the valuation of Rp50.8 million (equivalent to approximately US\$3,820 or HK\$29,792) per m² provided by an independent valuer.

The consideration under the First Agreement and the Second Agreement will be funded by the Indofood Group's internal resources and bank borrowings.

The Company confirms that Mr. Salim, who has a material interest in the Acquisition, abstained from voting at the relevant Board meeting on the resolution approving the Acquisition. None of the other Directors has a material interest in the Acquisition.

The Directors (including the independent non-executive Directors and except for Mr. Salim) are of the view that the terms of the Acquisition are fair and reasonable, and that the Acquisition is on normal commercial terms, in the ordinary course of business of the Group and in the interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

Mr. Salim is the Chairman of the Board, a substantial shareholder of the Company and the President Director and CEO of Indofood. ADS is a company in which Mr. Salim has an aggregate effective interest of 100% and an associate of Mr. Salim. Therefore, both Mr. Salim and ADS are connected persons of the Company and the Acquisition constitutes a connected transaction for the Company.

As one or more of the applicable percentage ratios in respect of the acquisitions under the First Agreement and the Second Agreement, on an aggregated basis, is 0.1% or more but all of the applicable percentage ratios are less than 5%, the Acquisition 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.

INFORMATION IN RELATION TO THE PURCHASED LANDS

Under the existing licence agreement between Mr. Salim and SIMP, Mr. Salim has given SIMP the right to use the AS Lands free of charge. Therefore, the AS Lands did not generate any rental profits for the years ended 31 December 2015 and 31 December 2016.

For the year ended 31 December 2016, the net rental profits before taxation in respect of the ADS Lands were approximately Rp7,229 million (equivalent to approximately US\$543,546 or HK\$4.2 million) and the net profits after taxation in respect of the ADS Lands were approximately Rp6,506 million (equivalent to approximately US\$489,173 or HK\$3.8 million).

For the year ended 31 December 2015, the net rental profits before taxation in respect of the ADS Lands were approximately Rp550 million (equivalent to approximately US\$41,353 or HK\$322,556) and the net profits after taxation in respect of the ADS Lands were approximately Rp495 million (equivalent to approximately US\$37,218 or HK\$290,301).

Based on the valuation of Rp50.8 million (equivalent to approximately US\$3,820 or HK\$29,792) per m² provided by an independent valuer, the value of the Purchased Lands is Rp2,178,152 million (equivalent to approximately US\$163.8 million or HK\$1,277.4 million).

The Company has been informed by the Indofood Group that since the Purchased Lands were purchased by Mr. Salim and ADS more than 30 years ago, they have not been able to provide the original acquisition cost of the Purchased Lands to the Indofood Group. In addition, the book value of the Purchased Lands has not been provided to the Indofood Group.

INFORMATION IN RELATION TO THE COMPANY, INDOFOOD AND AIM

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 SIMP and PT Perusahaan Perkebunan London Sumatra Indonesia Tbk are also listed in Indonesia. Another subsidiary, Indofood Agri Resources Ltd., is listed in Singapore, and an agribusiness associate, Roxas Holdings, Inc., is listed in the Philippines. Through its four 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.

AIM is a subsidiary of Indofood. It principally engages in property business.

INFORMATION IN RELATION TO COUNTERPARTIES

Mr. Salim is the Chairman of the Board, a substantial shareholder of the Company and the President Director and CEO of Indofood.

ADS is a company in which Mr. Salim has an aggregate effective interest of 100% and an associate of Mr. Salim. ADS is principally engaged in property business.

DEFINITIONS

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

“Acquisition”	acquisition of the Purchased Lands under the First Agreement and the Second Agreement;
“ADS”	PT Adithya Suramitra, a company in which Mr. Salim has an aggregate effective interest of 100% and an associate of Mr. Salim;
“ADS Lands”	Land Plot No. 4, Land Plot No. 5 and Land Plot No. 6;
“AIM”	PT Aston Inti Makmur, a limited liability company incorporated in Indonesia and a subsidiary of Indofood;
“AS Lands”	Land Plot No. 1, Land Plot No. 2 and Land Plot No. 3;
“associate”	has the meaning ascribed thereto under the Listing Rules;
“Board”	Board of Directors of the Company;
“Company”	First Pacific Company Limited, an exempted company incorporated in Bermuda and having its shares listed on The Stock Exchange of Hong Kong Limited;
“Director(s)”	the Director(s) of the Company;

“First Agreement”	the sale and purchase agreement dated 7 June 2017 entered into between Mr. Salim and AIM in relation to the sale and purchase of the AS Lands;
“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;
“Indofood Group”	Indofood and its subsidiaries from time to time;
“Land Plot No. 1”	a plot of land with the land title of Hak Milik No. 578/ Penjarangan, issued by the Head of Land Office of North Jakarta dated 20 March 1990, under the name of Mr. Salim, covering the total area of 13,360 m ² as described in the Gambar Situasi No. 977/1990 dated 20 March 1990;
“Land Plot No. 2”	a plot of land with the land title of Hak Milik No. 591/ Penjarangan, issued by the Head of Land Office of North Jakarta dated 11 September 1991, under the name of Mr. Salim, covering the total area of 4,470 m ² as described in the Gambar Situasi No. 3013/1991 dated 10 September 1991;
“Land Plot No. 3”	a plot of land with the land title of Hak Milik No. 810/ Penjarangan, issued by the Head of Land Office of North Jakarta dated 9 August 1997, under the name of Mr. Salim, covering the total area of 5,550 m ² as described in the Gambar Situasi No. 3879/1997 dated 11 August 1997;
“Land Plot No. 4”	a plot of land with the land title of Hak Guna Bangunan No. 6265/Penjarangan, issued by the Head of Land Office of North Jakarta dated 23 August 2013, under the name of ADS, covering the total area of 9,722 m ² as described in the Surat Ukur No. 00030/ Penjarangan/2013 dated 24 July 2013;

“Land Plot No. 5”	a plot of land with the land title of Hak Guna Bangunan No. 5811/Penjaringan, issued by the Head of Land Office of North Jakarta dated 25 May 2007 under the name of ADS, covering the total area of 8,430 m ² as described in the Surat Ukur No. 02057/Penjaringan/2007 dated 13 February 2007;
“Land Plot No. 6”	a plot of land with the land title of Hak Guna Bangunan No. 4162/Penjaringan, issued by the Head of Land Office of North Jakarta dated 20 August 1993, under the name of ADS, covering the total area of 1,345 m ² as described in the Gambar Situasi No. 1314/1993 dated 16 April 1993;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“m ² ”	square metre;
“Mr. Salim”	Mr. Anthoni Salim, Chairman of the Board, a substantial shareholder of the Company and the President Director and CEO of Indofood;
“Purchased Lands”	the AS Lands and the ADS Lands;
“Rp”	Indonesian Rupiah, the lawful currency of Indonesia;
“Second Agreement”	the sale and purchase agreement dated 7 June 2017 entered into between ADS and AIM in relation to the sale and purchase of the ADS Lands;
“SIMP”	PT Salim Ivomas Pratama Tbk, a member of the Indofood Group;
“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, 7 June 2017

Unless stated otherwise, translations of quoted currency values are made on an approximate basis and at the rate of US\$1.00 = Rp13,300 = 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