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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)

OVERSEAS REGULATORY ANNOUNCEMENT

Please refer to the attached filings made by Indofood Agri Resources Ltd. to the Singapore Stock Exchange, in relation to (i) Unaudited Financial Statements for the first quarter ended 31 March 2018; and (ii) Press Release for the 1Q2018 Results.

Dated this the 30th day of April, 2018

As at the date of this announcement, the board of directors of First Pacific Company Limited comprises the following directors:

Executive Directors:

Manuel V. Pangilinan, *Managing Director and CEO*

Robert C. Nicholson

Christopher H. Young

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

Financial Statements and Related Announcement::First Quarter Results

Issuer & Securities

Issuer/ Manager	INDOFOOD AGRI RESOURCES LTD.
Securities	INDOFOOD AGRI RESOURCES LTD. - SG1U47933908 - 5JS
Stapled Security	No

Announcement Details

Announcement Title	Financial Statements and Related Announcement
Date & Time of Broadcast	30-Apr-2018 06:45:24
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Announcement Sub Title	First Quarter Results
Announcement Reference	SG180430OTHR5RF9
Submitted By (Co./ Ind. Name)	Mak Mei Yook
Designation	Company Secretary
Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)	IndoAgri's 1Q 2018 Results and Press Release Please see attached.

Additional Details

For Financial Period Ended	31/03/2018
Attachments	<p>📎IFAR1Q18Ann.pdf</p> <p>📎IFAR1Q18Press.pdf</p> <p>Total size =224K</p>



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UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2018

1(a)(i) *A comprehensive income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.*

	Group		
	31/03/2018	31/03/2017	Change
	Rp ' million	Rp ' million	%
Revenue	3,189,662	4,374,722	(27.1)
Cost of sales	(2,531,343)	(3,344,176)	(24.3)
Gross Profit	658,319	1,030,546	(36.1)
Gross Profit %	20.6%	23.6%	
Selling and distribution expenses	(118,170)	(126,425)	(6.5)
General and administrative expenses	(221,950)	(212,537)	4.4
Foreign exchange (loss)/ gain	(21,527)	23,131	n/m
Other operating income	17,066	23,587	(27.6)
Other operating expenses	(32,575)	(29,654)	9.9
Share of results of associate companies	(5,679)	(249)	n/m
Share of results of a joint venture	(2,934)	(43,135)	(93.2)
Loss arising from changes in fair value of biological assets	(11,630)	(47,459)	(75.5)
Profit from operations	260,920	617,805	(57.8)
Financial income	28,338	25,142	12.7
Financial expenses	(158,095)	(160,179)	(1.3)
Profit before tax	131,163	482,768	(72.8)
Income tax expense	(78,626)	(153,794)	(48.9)
Net Profit for the period	52,537	328,974	(84.0)
Core net profit after tax ⁽¹⁾	81,342	344,757	(76.4)
Profit attributable to:			
Owners of the Company	49,798	170,567	(70.8)
Non-controlling interests	2,739	158,407	(98.3)
	52,537	328,974	(84.0)

Notes

n/m denotes "Not Meaningful"

(1) Earnings before the accounting for the effects of foreign exchange and changes in the fair value of biological assets.

	Group		
	31/03/2018	31/03/2017	Change
	Rp ' million	Rp ' million	%
Other comprehensive income (OCI):			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation	15,435	9,463	63.1
Items that will not be reclassified to profit or loss			
Re-measurement loss on employee benefits liability	(16,765)	(967)	n/m
Share of other comprehensive loss of an associate company	(14,674)	-	n/m
Other comprehensive (loss)/ gain for the period, net of tax	(16,004)	8,496	n/m
Total comprehensive income	36,533	337,470	(89.2)
Total comprehensive income attributable to:-			
Owners of the Company	42,771	179,707	(76.2)
Non-controlling interests	(6,238)	157,763	n/m
	36,533	337,470	(89.2)

n/m denotes "Not Meaningful"

Additional Information: -

Earnings before interests and tax expense, depreciation and amortisation, and gain arising from changes in fair value of biological assets ("EBITDA")

	Group		
	31/03/2018	31/03/2017	Change
	Rp ' million	Rp ' million	%
Profit from operations	260,920	617,805	(57.8)
Add: Depreciation & amortisation	323,265	317,324	1.9
Less: Loss arising from changes in fair value of biological assets	(11,630)	(47,459)	(75.5)
EBITDA includes foreign exchange (loss)/ gain	595,815	982,588	(39.4)
Less: Foreign exchange (loss)/ gain	(21,527)	23,131	n/m
EBITDA excludes foreign exchange (loss)/ gain	617,342	959,457	(35.7)
EBITDA%	19.4	21.9	

1(a)(ii). Profit before income tax is arrived at after charging/(crediting) the following significant items.

Other information:-	Group		
	31/03/2018	31/03/2017	Change
	Rp ' million	Rp ' million	%
Depreciation of property, plant and equipment	318,034	310,522	2.4
Amortisation of deferred charges and others	5,231	6,802	(23.1)
Interest on borrowings	153,847	156,482	(1.7)
Provision for uncollectible and changes in amortised cost of plasma receivables	20,727	8,011	158.7
Write-off of property and equipment	279	-	n/m
Loss on disposal of property, plant and equipment	2,047	262	n/m
Changes in provision for asset dismantling costs	(954)	138	n/m

n/m denotes "Not Meaningful"

1(b)(i). A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31/03/2018	31/12/2017	31/03/2018	31/12/2017
	Rp ' million	Rp ' million	Rp ' million	Rp ' million
Non-current assets				
Biological assets	316,713	313,305	-	-
Property, plant and equipment	21,124,973	21,178,399	39,070	39,986
Goodwill	3,245,837	3,245,837	-	-
Claims for tax refund	169,552	126,732	-	-
Deferred tax assets	1,278,998	1,346,976	-	-
Investment in subsidiary companies	-	-	10,633,423	10,533,516
Investment in associate companies	1,346,137	1,358,774	551,139	551,139
Investment in a joint venture	980,693	874,911	-	-
Amount due from a subsidiary	-	-	730,000	730,000
Advances and prepayments	435,878	385,116	-	-
Other non-current receivables	1,247,301	1,209,487	10	10
Total non-current assets	30,146,082	30,039,537	11,953,642	11,854,651
Current assets				
Inventories	2,404,748	2,204,549	-	-
Trade and other receivables	1,293,068	1,200,404	91,910	76,172
Advances and prepayments	399,641	188,330	1,399	228
Prepaid taxes	296,346	273,845	-	-
Biological assets	552,150	536,821	-	-
Assets held for sale	41,795	41,795	-	-
Cash and cash equivalents	2,883,194	2,929,674	558,443	664,267
Total current assets	7,870,942	7,375,418	651,752	740,667
Total assets	38,017,024	37,414,955	12,605,394	12,595,318
Current liabilities				
Trade and other payables and accruals	1,991,458	1,631,014	111,825	104,739
Advances and other payable	163,994	194,703	-	-
Interest-bearing loans and borrowings	5,737,615	4,462,704	-	-
Income tax payable	108,629	91,731	17	18
Total current liabilities	8,001,696	6,380,152	111,842	104,757
Net current (liabilities)/ assets	(130,754)	995,266	539,910	635,910

	Group		Company	
	31/03/2018	31/12/2017	31/03/2018	31/12/2017
	Rp ' million	Rp ' million	Rp ' million	Rp ' million
Non-current liabilities				
Interest-bearing loans and borrowings	5,007,035	6,067,793	1,030,965	1,013,390
Amounts due to related parties and other payables	394,543	364,106	-	-
Provision and other liabilities	33,195	34,149	-	-
Employee benefits liabilities	2,439,658	2,361,278	-	-
Deferred tax liabilities	681,714	784,827	-	-
Total non-current liabilities	8,556,145	9,612,153	1,030,965	1,013,390
Total liabilities	16,557,841	15,992,305	1,142,807	1,118,147
Net assets	21,459,183	21,422,650	11,462,587	11,477,171
Share capital	3,584,279	3,584,279	10,912,411	10,912,411
Treasury shares	(390,166)	(390,166)	(390,166)	(390,166)
Revenue reserves	8,370,068	8,327,924	796,190	810,774
Other reserves	582,957	582,329	144,152	144,152
	12,147,138	12,104,366	11,462,587	11,477,171
Non-controlling interests	9,312,045	9,318,284	-	-
Total equity	21,459,183	21,422,650	11,462,587	11,477,171

1(b)(ii). Aggregate amount of the Group's borrowings and debt securities

	Group	
	31/03/2018	31/12/2017
	Rp ' million	Rp ' million
(i) Amounts payable in one year or less, or on demand		
Secured	2,409,319	1,519,848
Unsecured	3,328,296	2,942,856
Sub-total	5,737,615	4,462,704
(ii) Amounts repayable after one year		
Secured	3,977,570	4,751,693
Unsecured	1,029,465	1,316,100
Sub-total	5,007,035	6,067,793
TOTAL	10,744,650	10,530,497

(iii) Details of the collaterals

The above bank term loans and investment loans are secured by:

- (a) corporate guarantees from a subsidiary
- (b) charge over the plantation assets of the respective subsidiary.

1(c). **A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group	
	31/03/2018	31/03/2017
	Rp ' million	Rp ' million
Cash flows from operating activities		
Profit before taxation	131,163	482,768
Adjustments:		
Depreciation and amortisation	323,265	317,324
Unrealised foreign exchange loss/ (gain)	28,106	(21,410)
Loss arising from changes in fair value of biological assets	11,630	47,459
Provision for uncollectible and changes in amortised cost of plasma receivables	20,727	8,011
Write-off of property, plant and equipment	279	-
Loss/ (gain) on disposal of property, plant and equipment	2,047	(855)
Changes in allowance for decline in market value and obsolescence of inventories	(20,596)	41,677
Allowance for impairment of available for sales	-	3,808
Changes in provision for asset dismantling costs	(954)	138
Change in estimated liability for employee benefits	89,005	80,843
Changes in fair value of long-term receivables	(128)	(401)
Share of results of associate companies	5,679	249
Share of results of a joint venture	2,934	43,135
Financial income	(28,338)	(25,142)
Financial expenses	158,095	160,179
Operating cash flows before working capital changes	722,914	1,137,783
Changes in working capital		
Other non-current assets	(66,075)	(31,291)
Inventories	(179,603)	(306,901)
Trade and other receivables	(111,303)	(228,846)
Advances to suppliers	(186,183)	(73,179)
Prepaid taxes	12,939	(60,519)
Trade and other payables and accruals	324,793	296,101
Advances from customers	(33,386)	(254,465)
Cash flows generated from operations	484,096	478,683
Interest received	27,206	24,501
Interest paid	(152,745)	(151,598)
Income tax paid	(124,375)	(102,949)
Net cash flows generated from operating activities	234,182	248,637

	Group	
	31/03/2018	31/03/2017
	Rp ' million	Rp ' million
Cash flows from investing activities		
Additions to property, plant and equipment	(316,673)	(309,901)
Additions to biological assets	(7,312)	(33,372)
Increase in plasma receivables	(72,523)	(16,683)
Proceeds from disposal of property, plant and equipment	4,409	6,124
Advances for projects and purchases of fixed assets	(13,518)	(7,366)
Investment in a joint venture	(99,984)	-
Net cash flows used in investing activities	(505,601)	(361,198)
Cash flows from financing activities		
Proceeds from interest-bearing loans and borrowings	541,030	505,540
Repayment of interest-bearing loans and borrowings	(361,752)	(104,339)
Proceeds from amount due to related parties	35,700	6,000
Dividend payments by subsidiaries to non-controlling interests	-	(1,318)
Net cash flows generated from financing activities	214,978	405,883
Net (decrease)/ increase in cash and cash equivalents	(56,441)	293,322
Effect of changes in exchange rates on cash and cash equivalents	9,961	(3,556)
Cash and cash equivalents at the beginning of the period	2,929,674	2,404,838
Cash and cash equivalents at the end of the period	2,883,194	2,694,604

1(d)(i). A statement (for the issuer and group) showing either (i) all the changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENT OF CHANGES IN EQUITY

	Group		Company	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	Rp ' million	Rp ' million	Rp ' million	Rp ' million
Issued Share				
Balance as at 1 January / 31 March ⁽¹⁾	3,584,279	3,584,279	10,912,411	10,912,411
Treasury shares of the Company				
Balance as at 1 January / 31 March	(390,166)	(390,166)	(390,166)	(390,166)
Reserves				
Balance as at 1 January	8,327,924	8,050,399	810,774	785,238
Actuarial loss on employee benefits liability	(7,654)	(526)	-	-
Net profit and total recognized income for the year	49,798	170,567	(14,584)	19,631
Balance as at 31 March	8,370,068	8,220,440	796,190	804,869
Other Reserves*				
Balance as at 1 January	582,329	590,123	144,152	144,152
Foreign currency translation	15,302	9,667	-	-
Share of other comprehensive loss of an associate company	(14,674)	-	-	-
Balance as at 31 March	582,957	599,790	144,152	144,152
Non-controlling Interests				
Balance as at 1 January	9,318,284	9,043,417	-	-
Dividend payments by subsidiaries	-	(1,318)	-	-
Actuarial loss on employee benefits liability	(9,111)	(441)	-	-
Foreign currency translation	133	(204)	-	-
Net profit and total recognised income for the year	2,739	158,407	-	-
Balance as at 31 March	9,312,045	9,199,861	-	-
Total Equity	21,459,183	21,214,204	11,462,587	11,471,266

Notes:

(1) The issued capital of the Group differs from that of the Company as a result of applying the reverse acquisition accounting in accordance with FRS 103. It represents the total of the deemed cost of acquisition immediately before the Acquisition and issue/placement of new shares by the Company subsequent to the Acquisition.

* Other reserves comprise capital reserves of subsidiary companies; gain on sale of treasury shares and foreign currency translation differences.

- (d)(ii). **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issue of equity securities, issue of shares for cash or consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at end of the current financial period reported on and as at end of the corresponding period of the immediately preceding financial year.**

The Company did not issue any shares during the period. As of 31 March 2018 and 31 December 2017, the number of issued shares was 1,447,782,830, of which 51,878,300 shares were held as treasury shares.

There were no outstanding convertibles as at 31 March 2018 and 31 December 2017.

- (d)(iii). **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	Company	
	31/03/2018 (' 000)	31/12/2017 (' 000)
Total number of issued shares	1,447,783	1,447,783
Less: Treasury shares	(51,878)	(51,878)
Total number of issued shares excluding treasury shares	1,395,905	1,395,905

- (d)(iv). **A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Treasury Shares	Company	
	No of shares ('000)	Amount Rp ' million
Balance as at 1 January 2018	51,878	390,166
Purchase of treasury shares	-	-
Balance as at 31 March 2018	51,878	390,166

2. **Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

This consolidated financial information has not been audited nor reviewed by the external auditors.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The accounting policies have been consistently applied by the Company and the Group, and are consistent with those used in the previous financial year except for the adoption of new or revised FRS that are mandatory for financial years beginning on or after 1 January 2018.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changes, as well as the reason for, and the effect of, the change.

SFRS(I) 15 Revenue from Contracts with Customers

SFRS(I) 15 establishes a five-step model to account for revenue arising from contracts with customers, and introduces new contract cost guidance. Under SFRS(I) 15, revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard is effective for annual periods beginning on or after 1 January 2018.

The Group has assessed and identified the following variable considerations based on the current contracts of the Group with the customers.

- Cash incentives at EOF division
- Right of return at EOF division
- Volume discount for palm seeds at plantation division
- Change of price due to difference in CPO quality

There is no material impact on the financial statements in the year of initial application, except the reclassification of cash incentives from selling and distribution expenses to a deduction in revenue. The comparatives have been restated with the following impact:

	As restated 1Q17 Rp' million	As previously reported 1Q17 Rp' million	Change Rp' million
Statement of comprehensive income			
Revenue	4,374,722	4,400,811	(26,089)
Selling and distribution expenses	(126,425)	(152,514)	26,089

SFRS(I) 9 Financial Instruments

SFRS(I) 9 introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting, and is effective for annual periods beginning on or after 1 January 2018. Financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The impairment requirements in SFRS(I) 9 are based on an expected credit loss model and replace the FRS 39 incurred loss model.

The Group has performed a preliminary impact assessment of adopting SFRS(I) 9 and identified the accounts which would have the following impacts upon the adoption of SFRS(I) 9.

(a) Classification and measurement

The Group's debt instruments are expected to give rise to cash flows representing solely payments of principal and interest. The Group intends to hold its current financial to collect contractual cash flows, and accordingly measured at amortised cost when it applies SFRS(I) 9.

For available-for-sale unquoted equity, the Group will elect to measure it at fair value through other comprehensive income. Any subsequent changes in fair value of the available-for-sale will be recognized to other comprehensive income without recycling to profit or loss.

There is no significant impact to arise from these changes.

(b) Impairment

SFRS(I) 9 requires the Group and the Company to record expected credit losses on all of its debt securities, loans, trade receivables and financial guarantees, either on a 12-month or lifetime basis.

The Group expects to apply the simplified approach and record lifetime expected losses on all trade receivables.

For financial assets that contain significant financing component such as the Group's plasma receivables and the Company's amount due from subsidiary companies, the Group and the Company expects to apply general approach. Under the general approach, the Group and the Company assessed if there are any significant changes in credit risk of the receivables to determine whether to provide credit losses based on 12-month or lifetime basis.

There is no material impact upon the application of the expected credit loss model in the year of initial application of the standard.

Convergence with International Financial Reporting Standards

For annual financial period beginning on or after 1 January 2018, Singapore-incorporated companies listed on the Singapore Exchange will apply Singapore Financial Reporting Framework (International) ("SFRS (I)"), a new financial reporting framework identical to International Financial Reporting Standards. The Group has adopted SFRS(I) on 1 January 2018.

The Group has performed an assessment of the impact of adopting SFRS(I) based on the current available information. There is no material impact on the financial statements upon transition to the new financial reporting framework.

6. *Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding year, after deducting any provision for the preference dividends; (a) Based on weighted average number of shares and (b) On a fully diluted basis (detailing any adjustments made to the earnings)*

Basic earnings per share amounts are calculated by dividing earnings for the period attributable to the equity holders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is calculated on the same basis as the basic earnings per share except that the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential ordinary shares. The Company has no dilutive potential ordinary shares as at 31 March 2018.

	Group		
	31/03/2018	31/03/2017	Change %
Earnings per share (Rp)			
Based on weighted average number of share	36	122	(70.5)
Based on a fully diluted basis	36	122	(70.5)
Earnings per share (SGD 'cents) (converted at Rp10,340/S\$1)			
Based on a fully diluted basis	0.35	1.18	(70.5)

7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the: -

The net asset value per share for the Group is calculated using the Group's net asset value attributable to equity holders as at end of each period divided by the issued share capital of 1,395,904,530 (excluding 51,878,300 held as treasury shares) as of 31 March 2018 and 31 December 2017.

	Group		Company	
	31/03/2018	31/12/2017	31/03/2018	31/12/2017
Net asset value per share (Rp)	8,702	8,671	8,212	8,222
Net asset value per share (SGD 'cents) (converted at Rp10,487/S\$1)	83.0	82.7	78.3	78.4

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Group Performance

	Group		
	31/03/2018 Rp ' million	31/03/2017 Rp ' million	Change %
Revenue			
Plantations			
External sales	701,873	1,725,801	(59.3)
Inter-segment sales *	1,122,969	1,048,789	7.1
Sub-total	1,824,842	2,774,590	(34.2)
Edible Oils & Fats **			
External sales	2,487,789	2,648,921	(6.1)
Inter-segment sales	-	7,852	n/m
Sub-total	2,487,789	2,656,773	(6.4)
Elimination of inter-segment sales	(1,122,969)	(1,056,641)	6.3
Total revenue to external parties	3,189,662	4,374,722	(27.1)
Gross Profit	658,319	1,030,546	(36.1)
Gross Profit %	20.6%	23.6%	

* Comprises mainly internal CPO sales to the Group's own refineries

** Comprises mainly cooking oil, margarine and copra-based products

Financial Performance

Overview: The Group reported a soft 1Q18 results due to lower palm production and weaker commodity prices. In 1Q2018, nucleus fresh fruit bunches (FFB) decreased by 6% to 695,000 tonnes. Rotterdam CIF crude palm oil (CPO) prices decreased 6% to an average of US\$674 per tonne in 1Q2018 from US\$717 per tonne in FY2017. Rubber prices (RSS3 SICOM) also decreased by 14% to an average of US\$1,715 per tonne in 1Q2018 compared to US\$2,001 per tonne in FY2017.

Consequently, the Group's consolidated revenue and attributable profit declined 27% and 71%, respectively over the same quarter last year.

Revenue: The Group reported consolidated revenue (after elimination of inter-segment sales) of Rp3.2 trillion in 1Q2018, decreasing 27% over the same quarter last year on lower sales contribution from Plantation and Edible Oils & Fats (EOF) Divisions.

In 1Q2018, Plantation Division reported a 34% revenue decline due to lower average selling prices and sales volume of crude palm oil (CPO), palm kernel (PK) and rubber. Whereas EOF Division's revenue decreased by 6% in 1Q2018 on lower edible oils selling prices arising from lower CPO costs.

Gross Profit: The Group's 1Q2018 gross profit declined 36% to Rp658 billion reflecting the effects of lower sales from both divisions and higher palm production costs arising from higher fertilizer and upkeeping costs.

Selling and Distribution Expenses (S&D): The Group reported lower S&D in 1Q2018, 7% declined compared to 1Q2017 mainly due to lower advertising and promotion expenses and lower freight cost.

Other Operating Income/(Expenses): The Group reported lower operating income in 1Q2018 mainly attributable to lower miscellaneous income. Whereas higher other operating expenses in 1Q2018 was attributable to changes in amortised costs of plasma receivables.

Foreign Exchange (Loss)/ Gain: The foreign exchange impacts were principally attributable to the translation of US dollar denominated loans, assets and liabilities. The Group recognized foreign currency loss of Rp22 billion in 1Q2018 compared to Rp23 billion gain in 1Q2017. Indonesian Rupiah weakened against US Dollar during the quarter to Rp13,756/US\$ as of 31 March 2018 versus Rp13,548/US\$ at the end December 2017.

Share of Results of Associate Companies: The Group recognised Rp6 billion loss from share of results of associate companies in 1Q2018 compared to Rp249 million loss in 1Q2017. The higher loss was attributable to AAM (engages in property operation) and FPNRL (operates mainly sugar business in the Philippines).

Share of results of a joint venture: In Brazil, our sugar operations under CMAA reported lower losses in 1Q2018 with share of results of Rp3 billion vs Rp43 billion in 1Q2017. The improvement was mainly due to higher ethanol and sugar sales.

Loss Arising from Changes in Fair Values of Biological Assets: The Group reported Rp12 billion biological assets loss in 1Q2018 compared to Rp48 billion in 1Q2017. The biological assets loss was mainly due to lower volume and selling prices of FFB.

Profit from Operations: The Group reported a 58% decline in 1Q2018 profit from operations, reflecting largely lower gross profit and foreign currency loss. This was partly offset by lower losses from a joint venture and lower biological assets loss.

Income Tax Expense: The Group recognizes lower income tax expenses in 1Q2018 on lower operating profit. However, the high effective tax rate of 60% in 1Q2018 was due to non-deductible expenses, the write-off of certain tax losses carried forward and losses from certain entities which are not available for set-off against profit from other group's entities.

Net Profit After Tax (NPAT): The Group's NPAT declined 84% to Rp 53 billion in 1Q2018 on lower operating profit, but partly offset by lower income tax expenses. Profit attributable to equity holders likewise came in lower, declining 71% over the same quarter last year.

Review of Financial Position

As of March 2018, total non-current assets of Rp30.1 trillion were slightly higher than the previous year end. The increase was mainly due to investment in a joint venture, Canapolis Holding S.A. (Canapolis) in February 2018 for BRL 23.6 million (approximately Rp100 billion).

The Group reported total current assets of Rp7.9 trillion in March 2018, 7% higher than previous year end. The increase was mainly attributable to (i) higher inventories arising from higher PKO, fertilisers, refined, bleached and deodorised (RBD) palm oil and RBD Olein; (ii) higher advances and prepayments for the purchase of raw materials and supplies; and (iii) higher trade and other receivables. This was partly offset by lower cash levels.

Total current liabilities were Rp8.0 trillion as at March 2018, increasing 25% over December 2017. This was mainly attributable to the drawdown of short-term working capital facilities to support the refinery operation in anticipation of the peak Lebaran season in 2Q2018, higher current portion of long-term facilities, and higher accruals relating to salaries and related benefits, and A&P expenses.

The Group reported net current liabilities of Rp131 billion in March 2018 arising from higher current portion of long-term facilities. The Group expects to refinance these maturing facilities as they fall due.

The non-current liabilities stood at Rp8.6 trillion as of 31 March 2018, declining 11% compared to FY2017. This was mainly due to lower long-term loan facilities arising from payment of loan installments and higher current portion of long-term facilities and lower deferred tax liabilities.

Review of Cash Flows

Despite lower profit before taxation, the Group generated net cash flows from operations of Rp234 billion in 1Q2018 compared to Rp249 billion in 1Q2017. This was mainly due to a reduction in working capital.

Net cash flows used in investing activities in 1Q2018 was Rp506 billion compared to Rp361 billion in 1Q2017 mainly due to investment in a joint venture, Canapolis in February 2018 and higher funding for plasma projects.

Net cash flows generated from financing activities were Rp215 billion in 1Q2018 compared to Rp406 billion in 1Q2017. The increase during the quarter was mainly due to the drawdown of short-term facilities to support the refinery operation in anticipation of the peak Lebaran season in 2Q2018.

The net cash decrease in 1Q2018 was Rp56 billion, reducing the Group's cash levels from Rp2,930 billion at end December 2017 to Rp2,883 billion at end March 2018.

9. *Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.*

Not applicable.

10. *A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.*

Agricultural commodity prices will continue to remain volatile. As a diversified and vertically integrated agribusiness with a dominant presence in Indonesia, our operations continue to be supported by a

positive domestic economic outlook. The ongoing fiscal reforms in Indonesia in the areas of infrastructure and social security, and large domestic consumption with Indonesia being the second largest consumer of palm oil globally, will continue to support our operations.

The Group will continue to strengthen the fundamentals and improve margins through better yielding crops, cost control measures and other innovations to improve productivity.

11. If a decision regarding dividend has been made.

(a) Current Financial Period Reported On

Nil.

(b) Any dividend declared for the previous corresponding period ?

Nil.

12. If no dividend has been declared (recommended), a statement to that effect.

Not applicable.

13. Disclosure of the aggregate value of the transactions conducted under the shareholders' mandate for interested person transaction Rule 920(1)(a)(ii) of the Listing Manual

The Group has the following the interest person transactions ("IPT") for the first quarter of 2018:

Name of Interested Person	Aggregate value of all IPT conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
	Rp 'billion	USD 'million
PT ISM Group		
<ul style="list-style-type: none"> • Sales of cooking oil, margarine and others • Purchase of goods, services and assets 	<p>865</p> <p>35</p>	<p>-</p> <p>-</p>
Salim Group		
<ul style="list-style-type: none"> • Sales of cooking oil, seeds and material • Purchases of goods and services • Shareholder loans • Corporate guarantees 	<p>358</p> <p>117</p> <p>813</p> <p>2,712</p>	<p>-</p> <p>-</p> <p>-</p> <p>14</p>

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company confirms that it has procured undertakings from all its directors and executive officers in the form set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

15. Confirmation by the Board Pursuant to Rule 705(5) of the Listing Manual

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to the attention which may render the Group's unaudited financial statements for the first quarter ended 31 March 2018 to be false or misleading in any material aspect.

BY THE ORDER OF THE BOARD

Mark Julian Wakeford
Chief Executive Officer and Executive Director

30 April 2018

FOR IMMEDIATE RELEASE

IndoAgri posts a soft 1Q18 amid lower sales volume of palm products and commodity prices

HIGHLIGHTS:

- The Group reported 11% decline for CPO production and selling prices in 1Q18
- The Group reported lower sales and profitability in 1Q18
- Expanding sugar operation in Brazil with 50% investment in 2nd mill, Canapolis

SINGAPORE – 30 April 2018 – SGX Mainboard-listed IndoAgri (the “Group”), a diversified and integrated from agribusiness group and manufacturer of leading brands of edible oils and fats products in Indonesia, reported a 27% revenue decline in 1Q18 on lower sales from Plantation and Edible Oils & Fats (EOF) Divisions.

	Rp' billion			S\$' million ¹		
	1Q18	1Q17	▲%	1Q18	1Q17	▲%
Revenue	3,190	4,375	(27.1)	308	423	(27.1)
Gross profit	658	1,031	(36.1)	64	100	(36.1)
<i>Gross margin (%)</i>	20.6%	23.6%		20.6%	23.6%	
EBITDA ²	617	959	(35.7)	60	93	(35.7)
<i>EBITDA margin (%)</i>	19.4%	21.9%		19.4%	21.9%	
Net profit after tax	53	329	(84.0)	5	32	(84.0)
Core net profit after tax³	81	345	(76.4)	8	33	(76.4)
Attributable profit	50	171	(70.8)	5	16	(70.8)
EPS (fully diluted) - Rp/S\$ cents	36	122	(70.5)	0.4	1.2	(70.5)

n.m. denotes “Not Meaningful”

Plantation Division’s 1Q18 revenue declined 34% mainly attributable to lower average selling prices and sales volume of crude palm oil (CPO), palm kernel and rubber. EOF Division also reported lower revenue, decreasing 6% yoy on lower edible oils selling prices arising for lower CPO costs.

The Group’s 1Q18 gross profit declined 36% mainly due to the effects of lower sales volume and selling prices of palm products. Consequently, EBITDA came in lower by 36% yoy, this was partly offset by improved contribution from a joint venture, CMAA.

The Group’s profit attributable to equity holders declined by 71% to Rp50 billion (S\$5 million) on lower operating profit, but partly offset by lower income tax expenses.

¹ Income Statement and Balance Sheet items are converted at exchange rates of Rp10,340/S\$1 and Rp10,487/S\$1, respectively

² Earnings before interests and tax expense, depreciation and amortisation, the effects of foreign exchange and changes in fair value of biological assets

³ Earnings before the accounting for the effects of foreign exchange, changes in the fair value of biological assets and one-off gain

“The Group reported lower palm products output in 1Q18 and lower commodity prices, resulting in lower revenue and profitability in 1Q18.

We are expanding our milling capacity with one new palm oil mill due for completion in 2019. The expansion of our refinery in Surabaya is completed and in operation, increasing the refinery capacity by 300,000 tonnes per annum.

We have acquired a 50% stake in our second mill (Canapolis) in February 2018, which will become operational in 2020 and has a crushing capacity of 1.8m MT of cane. This will give us operational synergies with our existing CMAA mill, expanding our crushing capacity and keeping production costs low.” commented Mr Mark Wakeford, CEO and Executive Director.

INDUSTRY OUTLOOK AND FUTURE PLANS

Agricultural commodity prices will continue to remain volatile. As a diversified and vertically integrated agribusiness with a dominant presence in Indonesia, our operations continue to be supported by a positive domestic economic outlook. The ongoing fiscal reforms in Indonesia in the areas of infrastructure and social security, and large domestic consumption with Indonesia being the second largest consumer of palm oil globally, will continue to support our operations.

The Group will continue to strengthen the fundamentals and improve margins through better yielding crops, cost control measures and other innovations to improve productivity.

--The End ---

ABOUT INDOAGRI

Indofood Agri Resources Ltd. (“IndoAgri”) is a diversified and integrated agribusiness group with principal business operations that range from research and development, breeding and cultivation of oil palms, to the milling and refining of crude palm oil, and the marketing and distribution of cooking oil, margarine, shortening and other derivative products. The Group also engages in the cultivation of other crops such as rubber, sugar cane, cocoa and tea.

As of end March 2018, IndoAgri has 301,926 hectares planted with oil palm, rubber, sugar cane, timber, cocoa and tea in Indonesia.

For more information please visit our website at: www.indofoodagri.com.