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## **FIRST PACIFIC COMPANY LIMITED**

*(Incorporated with limited liability under the laws of Bermuda)*

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

(Stock Code: 00142)

### **ANNOUNCEMENT**

#### **NEW CONTINUING CONNECTED TRANSACTIONS RELATING TO**

**(1) A TRADEMARK LICENSING AGREEMENT BETWEEN  
PT INDOFOOD SUKSES MAKMUR TBK AND PT LAJUPERDANA INDAH  
IN RELATION TO THE INDOFOOD GROUP'S PLANTATIONS BUSINESS**

**AND**

**(2) A PACKAGING BUSINESS TRANSACTION BETWEEN PT SURYA  
RENGO CONTAINERS AND PT FAST FOOD INDONESIA TBK**

**AND ANNOUNCEMENT OF AGGREGATE ANNUAL CAPS FOR THE  
PLANTATIONS BUSINESS TRANSACTIONS AND THE REVISED  
AGGREGATE ANNUAL CAPS FOR THE PACKAGING BUSINESS  
TRANSACTIONS**

#### **INTRODUCTION**

The Company announces the entering into, on 22 March 2011, of:

- (i) a new continuing connected transaction relating to Indofood's Plantations Business; and
- (ii) a new continuing connected transaction relating to Indofood's Packaging Business,

in each case between a member of the Indofood Group and an associate of Mr. Anthoni Salim.

Mr. Salim is both the Chairman of the board of directors of the Company, a substantial shareholder of the Company and President Director and CEO of Indofood. The amount of the annual caps in respect of those new continuing connected transactions are set out below in this announcement in Tables A and C, respectively.

### **AGGREGATE ANNUAL CAPS IN RESPECT OF THE PLANTATIONS BUSINESS TRANSACTIONS AND THE REVISED AGGREGATE ANNUAL CAPS IN RESPECT OF THE PACKAGING BUSINESS TRANSACTIONS**

As a result of the transactions referred to above having been entered into, the Annual Caps for the New Plantations Business Transaction and the Existing Plantations Business Transaction, on an aggregated basis, and the Annual Caps for the New Packaging Business Transaction and the Existing Packaging Business Transactions, on an aggregated basis, will be revised to the respective amounts set out in Tables B and D below in this announcement.

### **LISTING RULES IMPLICATIONS**

#### *New Plantations Business Transaction*

When the Annual Caps for the New Plantations Business Transaction for each of the financial years ending 31 December 2011, 2012 and 2013 are aggregated with the previously announced Annual Caps in respect of the Existing Plantations Business Transaction, one or more of the percentage ratios exceeds 0.1% but none of the percentage ratios exceeds 5%. Accordingly, the agreement entered into in respect of the New Plantations Business Transaction, the Annual Caps applicable to that transaction and the Annual Caps in respect of the aggregated Plantations Business Transactions for each of the financial years ending 31 December 2011, 2012 and 2013, are subject to the reporting and announcement requirements of Chapter 14A of the Listing Rules, but not the independent shareholders' approval requirement.

#### *New Packaging Business Transaction*

When the Annual Caps for the New Packaging Business Transaction for each of the financial years ending 31 December 2011, 2012 and 2013 are aggregated with the previously announced Annual Caps in respect of the Existing Packaging Business Transactions, one or more of the percentage ratios exceeds 0.1% but none of the percentage ratios exceeds 5%. Accordingly, the agreement entered into in respect of the New Packaging Business Transaction, the Annual Caps applicable to that transaction and the revised Annual Caps in respect of the aggregated Packaging Business Transactions for each of the financial years ending 31 December 2011, 2012 and 2013, are subject to the reporting and announcement requirements of Chapter 14A of the Listing Rules, but not the independent shareholders' approval requirement.

## **VIEWS OF THE DIRECTORS**

The directors (including the independent non-executive directors) of the Company consider that:

- (1) the terms of the New Plantations Business Transaction and the New Packaging Business Transaction and their respective Annual Caps; and
- (2) the aggregated Annual Caps in respect of the Plantations Business Transactions and the revised aggregated Annual Caps in respect of the Packaging Business Transactions,

are, in each case, fair and reasonable and in the interest of the Company and its Shareholders as a whole.

## **INTRODUCTION**

First Pacific Company Limited (“**First Pacific**” or “**Company**”) announces the entering into, on 22 March 2011, of:

- (a) a new continuing connected transaction (“**New Plantations Business Transaction**”) between PT Indofood Sukses Makmur Tbk (“**Indofood**”) and PT Lajuperdana Indah (“**LPI**”) relating to the plantations business (“**Plantations Business**”) carried on by Indofood and its subsidiaries (the “**Indofood Group**”); and
- (b) a new continuing connected transaction (“**New Packaging Business Transaction**”) between PT Surya Rengo Containers (“**SRC**”), an indirectly owned subsidiary of Indofood, and PT Fast Food Indonesia Tbk (“**FFI**”), relating to the Indofood Group’s packaging business (“**Packaging Business**”).

Indofood is a subsidiary of the Company in which the Company indirectly owns an approximately 50.1% interest.

Each of the abovementioned continuing connected transactions was between a member of the Indofood Group and an associate of Mr. Anthoni Salim. Mr. Salim is both the Chairman of the board of directors of the Company, a substantial shareholder of the Company and President Director and CEO of Indofood. The amount of the annual caps (“**Annual Caps**”) in respect of those new continuing connected transactions are set out below in Tables A and C below, respectively.

Under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the Annual Caps in respect of the New Plantations Business Transaction are required to be aggregated with the Annual Caps previously announced in respect of the continuing connected transaction relating to the Plantations Business which was announced by the Company in its announcement dated 14 February 2011 (the “**Existing Plantations Business Transaction**”). Accordingly, the Annual Caps

applicable to the New Plantations Business Transaction and the Existing Plantations Business Transaction (collectively, the “**Plantations Business Transactions**”), on an aggregated basis, are the respective amounts shown in Table B below.

Similarly, the Listing Rules require that the Annual Caps in respect of the New Packaging Business Transaction be aggregated with the previously announced Annual Caps in respect of the continuing connected transactions relating to the Packaging Business which were announced by the Company in its announcement dated 8 November 2010 (the “**Existing Packaging Business Transactions**”). Accordingly, the Annual Caps applicable to the New Packaging Business Transaction and the Existing Packaging Business Transactions, (collectively, the “**Packaging Business Transactions**”), on an aggregated basis, are the respective amounts shown in Table D below.

The Company confirms that to date none of the previously announced Annual Caps in respect of the Existing Plantations Business Transaction or the Existing Packaging Business Transactions has been exceeded.

**(1) NEW PLANTATIONS BUSINESS TRANSACTION AND AGGREGATED ANNUAL CAPS FOR THE PLANTATIONS BUSINESS TRANSACTIONS**

On 22 March 2011, Indofood entered into a trademark licensing agreement in relation to its Plantations Business. The terms of the trademark licensing agreement are summarised in the table below.

**TABLE A - NEW PLANTATIONS BUSINESS TRANSACTION**

<b>Parties:</b>	(a) Indofood; and (b) LPI.
<b>Date of contract:</b>	22 March 2011
<b>Expiry:</b>	31 December 2013
<b>Subject matter:</b>	Indofood has agreed to grant an exclusive license to LPI to use, manufacture, sell, distribute, advertise and promote its sugar products under Indofood’s “INDOSUGAR” trademark in the Republic of Indonesia for the term of the agreement

**Annual Caps:**

<b>For the year ending 31 December 2011</b>	US\$1.2 million (equivalent to approximately HK\$9.4 million)
<b>For the year ending 31 December 2012</b>	US\$1.7 million (equivalent to approximately HK\$13.3 million)
<b>For the year ending 31 December 2013</b>	US\$1.7 million (equivalent to approximately HK\$13.3 million)

The New Plantations Business Transaction constitutes a continuing connected transaction for the Company under Rule 14A.14 of the Listing Rules because:

- (i) Mr. Anthoni Salim is the Chairman of the board of directors and a substantial shareholder of the Company and President Director and CEO of Indofood; and
- (ii) LPI is an associate of Mr. Anthoni Salim.

The New Plantations Business Transaction was entered into in order for LPI to use, manufacture, sell, distribute, advertise and promote its sugar products under the “INDOSUGAR” trademark owned by Indofood.

The consideration for the New Plantations Business Transaction was determined with reference to normal commercial terms and on an arm’s length basis. The agreement in respect of the New Plantations Business Transaction provides that licensing royalty fees of 1% on the net sales value of the sugar products will be paid. The consideration under the New Plantations Business Transaction is payable on a quarterly basis and otherwise in accordance with the terms of the trademark licensing agreement.

The Annual Caps for the New Plantations Business Transaction are based on 1% of the estimated net sales value of sugar products sold under the trademark “INDOSUGAR” for each of the financial years ending 31 December 2011, 2012 and 2013.

The New Plantations Business Transaction will be conducted in the normal course of business of the Indofood Group and is entered into on an arm’s length basis.

#### **AGGREGATE ANNUAL CAPS FOR THE PLANTATIONS BUSINESS TRANSACTIONS**

Shareholders are referred to the Company’s announcement dated 14 February 2011 which announced the Existing Plantations Business Transaction. The Annual Caps in respect of the New Plantations Business Transaction and the Existing Plantations Business Transaction are required to be aggregated under the Listing Rules. The Annual Caps applicable to the Plantations Business Transactions as a result of that aggregation are set out in Table B below:

**TABLE B – AGGREGATE ANNUAL CAPS APPLICABLE TO THE PLANTATIONS BUSINESS TRANSACTIONS**

	<b>Existing Annual Caps in respect of the Existing Plantations Business Transaction as announced in the 14 February 2011 announcement</b>	<b>Annual Caps in respect of the New Plantations Business Transaction as announced in this announcement</b>	<b>Aggregate Annual Caps in respect of the Plantations Business Transactions</b>
For the year ending 31 December 2011	US\$35.0 million (equivalent to approximately HK\$273.0 million)	US\$1.2 million (equivalent to approximately HK\$9.4 million)	US\$36.2 million (equivalent to approximately HK\$282.4 million)
For the year ending 31 December 2012	US\$46.0 million (equivalent to approximately HK\$358.8 million)	US\$1.7 million (equivalent to approximately HK\$13.3 million)	US\$47.7 million (equivalent to approximately HK\$372.1 million)
For the year ending 31 December 2013	US\$55.0 million (equivalent to approximately HK\$429.0 million)	US\$1.7 million (equivalent to approximately HK\$13.3 million)	US\$56.7 million (equivalent to approximately HK\$442.3 million)

When the Annual Caps of the New Plantations Business Transaction for each of the financial years ending 31 December 2011, 2012 and 2013 are aggregated with the Annual Caps announced on 14 February 2011 in respect of the Existing Plantations Business Transaction, one or more of the percentage ratios exceeds 0.1% but none of the percentage ratios exceed 5%. Accordingly, the New Plantations Business Transaction and the Existing Plantations Business Transaction, on an aggregated basis, and their aggregated Annual Caps, are subject to the reporting and announcement requirements of Chapter 14A of the Listing Rules, but not the independent shareholders' approval requirement.

**(2) NEW PACKAGING BUSINESS TRANSACTION AND REVISED AGGREGATED ANNUAL CAPS FOR THE PACKAGING BUSINESS TRANSACTIONS**

On 22 March 2011, SRC, an indirectly owned subsidiary of Indofood, and FFI, an associate of Mr. Anthoni Salim, entered into a carton boxes supply agreement (“**Supply Agreement**”), which is a continuing connected transaction under the Listing Rules, relating to the Indofood Group’s Packaging Business. Details of the Supply Agreement are set out in Table C below:

**TABLE C – NEW PACKAGING BUSINESS TRANSACTION**

<b>Parties:</b>	(a) SRC; and (b) FFI.
<b>Date of contract:</b>	22 March 2011
<b>Expiry:</b>	31 December 2013
<b>Subject matter:</b>	The sale of carton packaging by SRC to FFI.
<b>Annual Caps:</b>	
<b>For the year ending     31 December 2011</b>	US\$0.3 million (equivalent to approximately HK\$2.3 million)
<b>For the year ending     31 December 2012</b>	US\$0.3 million (equivalent to approximately HK\$2.3 million)
<b>For the year ending     31 December 2013</b>	US\$0.4 million (equivalent to approximately HK\$3.1 million)

The New Packaging Business Transaction constitutes a continuing connected transaction for the Company under Rule 14A.14 of the Listing Rules because:

- (i) SRC is an indirectly owned subsidiary of Indofood;
- (ii) Mr. Anthoni Salim is the Chairman of the board of directors and a substantial shareholder of the Company and President Director and CEO of Indofood; and
- (iii) FFI is an associate of Mr. Anthoni Salim.

The New Packaging Business Transaction was entered into in order for SRC to supply FFI with carton packaging.

The consideration for the New Packaging Business Transaction was determined on normal commercial terms and on an arm's length basis. The Supply Agreement provides that the pricing in respect of the supply of the carton boxes shall be determined by the prevailing market selling price of paper and shall be mutually agreed by and between the parties to the Supply Agreement from time to time. The price for the supply of carton boxes is payable within 30 days from the date of the relevant invoice and otherwise in accordance with the terms of the Supply Agreement.

The Annual Caps for the New Packaging Business Transaction are based on estimated transaction values and projected activity levels between the parties for each of the financial years ending 31 December 2011, 2012 and 2013.

The New Packaging Business Transaction will be conducted in the normal course of business of the Indofood Group and is entered into on an arm's length basis.

#### **REVISED AGGREGATE ANNUAL CAPS FOR PACKAGING BUSINESS TRANSACTIONS**

Shareholders are referred to the Company's announcement dated 8 November 2010 in which the Company announced the Annual Caps for its Existing Packaging Business Transactions in respect of the financial years ending 31 December 2011, 2012 and 2013.

The Annual Caps in respect of the New Packaging Business Transaction and the Existing Packaging Business Transactions are required to be aggregated under the Listing Rules. The revised aggregate Annual Caps applicable to the Packaging Business Transactions as a result of that aggregation are set out in Table D below:



**TABLE D – REVISED AGGREGATE PACKAGING BUSINESS CAPS**

	<b>Existing Annual Caps in respect of the Existing Packaging Business Transactions as announced in the 8 November 2010 announcement</b>	<b>Annual Caps in respect of the New Packaging Business Transaction as announced in this announcement</b>	<b>Revised aggregate Annual Caps for the Packaging Business Transactions</b>
For the year ending 31 December 2011	US\$17.4 million (equivalent to approximately HK\$135.7 million)	US\$0.3 million (equivalent to approximately HK\$2.3 million)	US\$17.7 million (equivalent to approximately HK\$138.0 million)
For the year ending 31 December 2012	US\$23.0 million (equivalent to approximately HK\$179.4 million)	US\$0.3 million (equivalent to approximately HK\$2.3 million)	US\$23.3 million (equivalent to approximately HK\$181.7 million)
For the year ending 31 December 2013	US\$29.5 million (equivalent to approximately HK\$230.1 million)	US\$0.4 million (equivalent to approximately HK\$3.1 million)	US\$29.9 million (equivalent to approximately HK\$233.2 million)

When the Annual Caps relating to the New Packaging Business Transaction for each of the financial years ending 31 December 2011, 2012 and 2013 are aggregated with the Annual Caps announced on 8 November 2010 in respect of the Existing Packaging Business Transactions, one or more of the percentage ratios exceeds 0.1% but none of the percentage ratios exceed 5%. Accordingly, the New Packaging Business Transaction and the Existing Packaging Business Transactions, on an aggregated basis, and their revised aggregated Annual Caps, are subject to the reporting and announcement requirements of Chapter 14A of the Listing Rules, but not the independent shareholders' approval requirement.

## **BENEFITS EXPECTED TO ACCRUE TO THE INDOFOOD GROUP AND THE COMPANY AND REASONS FOR ENTERING INTO THE TRANSACTIONS**

The benefits which are expected to accrue to the Indofood Group and the Company as a result of the New Plantations Business Transaction and the New Packaging Business Transaction include the continued expansion of the Indofood Group's business operations, revenue and operational profitability and the increase of awareness of the Indofood brands.

## **VIEWS OF THE DIRECTORS**

The directors (including the independent non-executive directors) of the Company consider that the terms of the New Plantations Business Transaction and the New Packaging Business Transaction and their respective Annual Caps and the aggregated Annual Caps in respect of the Plantations Business Transactions and revised aggregated Annual Caps in respect of the Packaging Business Transactions are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

Under Rule 14A.56(9) of the Listing Rules, any director with a material interest in a connected transaction which does not require shareholders' approval is required to abstain from voting in respect of the resolution relating to that transaction in a board meeting at which the transaction is considered. The Company confirms that Mr. Anthoni Salim, who has a material interest in the continuing connected transactions described in this announcement, abstained from voting at the relevant board meeting in respect of those continuing connected transactions. None of the other directors has a material interest in the continuing connected transactions described in this announcement.

## **INFORMATION IN RESPECT OF THE COUNTERPARTIES TO THE CONTINUING CONNECTED TRANSACTIONS**

LPI is a joint venture plantation company within the IndoInternational Green Energy Resources Pte. Ltd. group. LPI is a joint venture between PT Salim Ivomas Pratama, (a member of the Indofood Group) and a member of the Salim Group (which comprises Mr. Anthoni Salim and companies controlled by him).

FFI is engaged in food and restaurant operations. It is the master franchise holder of the Kentucky Fried Chicken (KFC) brand in Indonesia. FFI operates approximately 380 restaurant outlets.

## **INFORMATION IN RESPECT OF THE COMPANY AND INDOFOOD**

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

Indofood is a leading processed food company engaged in food manufacturing, processing, marketing and distribution. It is based in Jakarta, and is listed on the Indonesia Stock Exchange. Its Consumer Branded Products subsidiary, PT Indofood CBP Sukses Makmur Tbk, is listed on the Indonesia Stock Exchange and its Agribusiness subsidiaries, Indofood Agri Resources Ltd. and PT PP London Sumatra Indonesia Tbk, are listed on the Singapore and Indonesia Stock Exchanges, respectively. Through its four complementary strategic business groups, Indofood offers and distributes a wide range of food products throughout Indonesia: Consumer Branded Products (noodles, dairy, food seasonings, snack foods and nutrition and specialty foods), Bogasari (flour and pasta), Agribusinesses (oil palm, rubber, sugar cane, cocoa and tea plantations, cooking oils, margarine and shortening) and Distribution. Indofood is one of the world's largest instant noodles manufacturers by volume, plantations companies by hectare and the largest flour miller in Indonesia. Indofood's flourmill in Jakarta is one of the largest in the world in terms of production capacity in one location. It also has an extensive distribution network in Indonesia.

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

Hong Kong, 22 March 2011

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

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

Anthoni Salim, *Chairman*

Manuel V. Pangilinan, *Managing Director and CEO*

Edward A. Tortorici

Robert C. Nicholson

Napoleon L. Nazareno

Ambassador Albert F. del Rosario

Sir David W.C. Tang\*, *KBE*

Tedy Djuhar

Ibrahim Risjad

Benny S. Santoso

Graham L. Pickles\*

Prof. Edward K.Y. Chen\*, *GBS, CBE, JP*

Jun Tang\*

\* *Independent Non-executive Directors*