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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 LEASE AGREEMENT BETWEEN THE BOGASARI FLOUR MILLS  
DIVISION OF PT INDOFOOD SUKSES MAKMUR TBK  
AND PT TARUMATEX IN RELATION TO THE FLOUR BUSINESS OF  
THE INDOFOOD GROUP**

**(2) A CONSULTANT SERVICES CONTRACT BETWEEN PT INDOFOOD  
SUKSES MAKMUR TBK AND PT INDOTEK KONSULTAN UTAMA IN  
RELATION TO THE VARIOUS CATEGORIES OF BUSINESSES  
OF THE INDOFOOD GROUP**

#### **INTRODUCTION**

The Company announces the entering into of two new continuing connected transactions on 31 October 2011 relating to the Indofood Group:

- (a) the Tarumatex Rental Contract; and
- (b) the IKU Consultant Services Contract,

in each case between a member of the Indofood Group and an associate of Mr. Anthony Salim. Mr. Anthony Salim is the Chairman of the Board and a substantial shareholder of the Company and President Director and CEO of Indofood.

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

Under the Listing Rules, the Annual Caps in respect of the Tarumatex Rental Contract and the Annual Caps in respect of the services to be provided under the IKU Consultant Services Contract which relate to the Flour Business are required to be aggregated with the Annual Caps previously announced in respect of the Existing Flour Business Transactions which were announced by the Company in its announcement dated 14 February 2011 for each of the three financial years ending 31 December 2011, 2012 and 2013. The increased Annual Caps for the Flour Business, are set out below in this announcement in “Table C - Aggregate Annual Caps for the Flour Business Transactions”.

### **AGGREGATE ANNUAL CAPS FOR THE VARIOUS CATEGORIES OF BUSINESS TRANSACTIONS**

Under the Listing Rules, the Annual Caps in respect of the services to be provided under the IKU Consultant Services Contract which relate to various categories of business transactions carried on by the Indofood Group are also required to be aggregated with the Annual Caps previously announced in respect of the relevant categories of business transactions carried on by the Indofood Group for each of the three financial years ending 31 December 2011, 2012 and 2013. The increased Annual Caps for the Plantations Business, Packaging Business and Distribution Business are set out below in this announcement in “Table D - Aggregate Annual Caps for the various categories of business transactions”.

### **LISTING RULES IMPLICATIONS**

When the Annual Caps of the Tarumatex Rental Contract and the Annual Caps in respect of the services to be provided under the IKU Consultant Services Contract which relate to the Flour Business for each of the three financial years ending 31 December 2011, 2012 and 2013 are aggregated with the Annual Caps of the Existing Flour Business Transactions, one or more of the percentage ratios exceeds 0.1% but none of the percentage ratios exceeds 5%. Accordingly, the Tarumatex Rental Contract, the services to be provided under the IKU Consultant Services Contract which relate to the Flour Business and the Existing Flour Business Transactions, 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 requirements.

When the Annual Caps in respect of the services to be provided under the IKU Consultant Services Contract which relate to the Plantations Business, Packaging Business and Distribution Business for each of the three financial years ending 31 December 2011, 2012 and 2013 are aggregated with each of the previously announced Annual Caps in respect of the Existing Plantations Business Transactions, Existing Packaging Business Transactions and Existing Distribution Business Transactions, one or more of the percentage ratios exceeds 0.1% but none of the percentage ratios exceeds 5%. Accordingly, the services to be provided under the IKU Consultant Services Contract which relate to the Plantations Business, Packaging Business and Distribution Business, and the Existing Plantations Business Transactions, Existing Packaging Business Transactions and Existing Distribution Business Transactions, 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 requirements.

#### **VIEWS OF THE DIRECTORS**

The directors (including the independent non-executive directors) of the Company consider that each of the continuing connected transactions and their related Annual Caps described in this announcement are 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 of two new continuing connected transactions on 31 October 2011 relating to PT Indofood Sukses Makmur Tbk (“**Indofood**”) :

- (i) a lease agreement between the Bogasari Flour Mills Division (“**Bogasari**”) of Indofood as lessee and PT Tarumatex (“**Tarumatex**”) as lessor, relating to the leasing of a part of the warehouse located at Jalan Ahmad Yani Number 806, Bandung 40282, Indonesia (the “**Premises**”) with a building total area of 4,900 square meters including a parking facility and certain furniture and fixtures owned by Tarumatex, for a period from 31 October 2011 to 31 December 2013 (the “**Tarumatex Rental Contract**”); and
- (ii) a consultant services agreement between Indofood and PT Indotek Konsultan Utama (“**IKU**”), relating to the provision of consultation services by IKU in relation to, amongst others, (a) planning and supervision of the development of production facilities, buildings, warehouse depots, offices and other buildings and infrastructures including roads and canals, and plantation sites; (b) planning and controlling of the maintenance and improvement of the production facilities, buildings, warehouse depots, offices, other buildings and infrastructures including roads and canals; and (c) planning and supervision of the installation of the sea water reverse osmosis systems, for the period from 31 October 2011 to 31 December 2013 (the “**IKU Consultant Services Contract**”)

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. Anthoni Salim is both the Chairman of the board of directors of the Company (the “**Board**”), a substantial shareholder of the Company and President Director and CEO of Indofood.

Under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”), the amount of annual caps (“**Annual Caps**”) in respect of the Tarumatex Rental Contract and the Annual Caps in respect of the services to be provided under the IKU Consultant Services Contract which relate to the flour business carried on by the Indofood Group (“**Flour Business**”) are required to be aggregated with the Annual Caps previously announced in respect of the continuing connected transaction relating to the Flour Business which were announced by the Company in its announcement dated 14 February 2011 (the “**Existing Flour Business Transactions**”). The Annual Caps applicable to the Tarumatex Rental Contract, the services to be provided under the IKU Consultant Services Contract which relate to the Flour Business and the Existing Flour Business Transactions, (collectively, the “**Flour Business Transactions**”), on an aggregated basis, are set out below in this announcement in the section headed “Table C - Aggregate Annual Caps for the Flour Business Transactions”

Similarly, the Listing Rules require the Annual Caps in respect of the services to be provided under the IKU Consultant Services Contract which relate to the various categories of business transactions carried on by the Indofood Group be aggregated with the previously announced Annual Caps in respect of the continuing connected transactions in the relevant categories of businesses carried on by the Indofood Group, including the following continuing connected transactions:

1. continuing connected transactions in the plantations business carried on by the Indofood Group (“**Plantations Business**”), the Annual Caps of which were previously announced by the Company in its announcement dated 22 March 2011 (“**Existing Plantations Business Transactions**”, together with the IKU Consultant Services Contract, the “**Plantations Business Transactions**”);
2. continuing connected transactions in the packaging business carried on by the Indofood Group (“**Packaging Business**”), the Annual Caps of which were previously announced by the Company in its announcement dated 22 March 2011 (“**Existing Packaging Business Transactions**”, together with the IKU Consultant Services Contract, the “**Packaging Business Transactions**”); and
3. continuing connected transactions in the distribution business carried on by the Indofood Group (“**Distribution Business**”), the Annual Caps of which were previously announced by the Company in its announcement dated 8 November 2010 (“**Existing Distribution Business Transactions**”, together with the IKU Consultant Services Contract, the “**Distribution Business Transactions**”).

The Annual Caps applicable to the IKU Consultant Services Contract and the abovementioned categories of businesses transactions carried on by the Indofood Group, on an aggregated basis, are set out below in this announcement in the section headed “Table D - Aggregate Annual Caps for the various categories of business transactions”.

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

**(1) DETAILS OF THE TARUMATEX RENTAL CONTRACT**

The rental under the Tarumatex Rental Contract for the first-year period from 31 October 2011 to 30 October 2012 is Rupiah 729,120,000 (equivalent to approximately US\$0.1 million or HK\$0.8 million) and the rental for the remaining period is to be agreed by the parties with reference to the prevailing market price. The rental in respect of the first-year period from 31 October 2011 to 30 October 2012 is payable by Indofood by way of telegraphic transfer upon signing of the agreement. The rental is payable in cash.

The Tarumatex Rental Contract 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 and a substantial shareholder of the Company and President Director and CEO of Indofood; and
- (ii) Tarumatex is wholly owned by the family of Mr. Anthoni Salim and is therefore an associate of Mr. Anthoni Salim under the Listing Rules.

The Tarumatex Rental Contract was entered into in order for Indofood to use part of the Premises owned by Tarumatex for the operation of its business activities.

The consideration for the Tarumatex Rental Contract was determined with reference to normal commercial terms and on an arm’s length basis.

The Tarumatex Rental Contract will be conducted in the ordinary and usual course of business of Indofood Group and have been entered into on an arm’s length basis and on normal commercial terms.

**TABLE A – ANNUAL CAPS FOR THE TARUMATEX RENTAL CONTRACT**

The amount of the Annual Caps for the Tarumatex Rental Contract for each of the three financial years ending 31 December 2011, 2012 and 2013, are set out below:

Agreement/ Arrangement	Annual Caps		
	For the Year Ending 31 December 2011	For the Year Ending 31 December 2012	For the Year Ending 31 December 2013
Tarumatex Rental Contract	US\$0.1 million (equivalent to approximately HK\$0.8 million)	US\$0.3 million (equivalent to approximately HK\$2.3 million)	US\$0.3 million (equivalent to approximately HK\$2.3 million)

The Annual Caps for the Tarumatex Rental Contract is based on the agreed rental fee payable by Indofood to Tarumatex for the first-year period, and on the estimated market rate of rental for the remaining period.

**(2) DETAILS OF THE IKU CONSULTANT SERVICES CONTRACT**

The amount of consideration under the IKU Consultant Services Contract to be paid by Indofood to IKU will be determined on a project by project basis, based on the prevailing market rate. The consideration shall be paid by Indofood in cash upon receipt of the report and completion of the bill for the relevant project from IKU.

The IKU Consultant Services Contract 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 and a substantial shareholder of the Company and President Director and CEO of Indofood; and
- (ii) IKU is a 52% owned subsidiary of the companies controlled by Mr. Anthoni Salim and is therefore an associate of Mr. Anthoni Salim under the Listing Rules.

The IKU Consultant Services Contract was entered into in order for IKU to provide project management services to Indofood Group.

The consideration for the IKU Consultant Services Contract will be determined with reference to normal commercial terms and on an arm's length basis.

The IKU Consultant Services Contract will be conducted in the ordinary and usual course of business of the Indofood Group and have been entered into on an arm's length basis and on normal commercial terms.

**TABLE B – ANNUAL CAPS FOR THE IKU CONSULTANT SERVICES CONTRACT IN RESPECT OF THE VARIOUS CATEGORIES OF BUSINESS TRANSACTIONS CARRIED ON BY THE INDOFOOD GROUP**

The IKU Consultant Services Contract involves the provision of services by IKU to the various businesses carried on by the Indofood Group, including the Flour Business, the Plantations Business, the Packaging Business and the Distribution Business. The Annual Caps in respect of the services to be provided under the IKU Consultant Services Contract for each of the three financial years ending 31 December 2011, 2012 and 2013 which relate to the Flour Business, the Plantations Business, the Packaging Business and the Distribution Business, are set out below:

Categories of businesses carried on by the Indofood Group	Annual Caps		
	For the Year Ending 31 December 2011	For the Year Ending 31 December 2012	For the Year Ending 31 December 2013
1. Flour Business	US\$0.7 million (equivalent to approximately HK\$5.5 million)	US\$0.9 million (equivalent to approximately HK\$7.0 million)	US\$1.2 million (equivalent to approximately HK\$9.4 million)
2. Plantations Business	US\$0.1 million (equivalent to approximately HK\$0.8 million)	US\$0.1 million (equivalent to approximately HK\$0.8 million)	US\$0.1 million (equivalent to approximately HK\$0.8 million)
3. Packaging Business	US\$0.3 million (equivalent to approximately HK\$2.3 million)	US\$0.5 million (equivalent to approximately HK\$3.9 million)	US\$0.5 million (equivalent to approximately HK\$3.9 million)
4. Distribution Business	US\$0.1 million (equivalent to approximately HK\$0.8 million)	US\$0.1 million (equivalent to approximately HK\$0.8 million)	US\$0.2 million (equivalent to approximately HK\$1.6 million)
<b>Total Annual Caps in respect of the services to be provided under the IKU Consultant Services Contract which relate to the Flour Business, Plantations Business, Packaging Business and Distribution Business</b>	US\$1.2 million (equivalent to approximately HK\$9.4 million)	US\$1.6 million (equivalent to approximately HK\$12.5 million)	US\$2.0 million (equivalent to approximately HK\$15.6 million)

The Annual Caps in respect of the services to be provided under the IKU Consultant Services Contract which relate to the various business transactions carried on by the Indofood Group are determined based on projected activity level for the projects, taking into account factors such as number of staff required and time involved.

**TABLE C – AGGREGATE ANNUAL CAPS FOR THE FLOUR BUSINESS TRANSACTIONS**

When the Annual Caps for the Tarumatex Rental Contract (as set out in Table A above) and the Annual Caps in respect of the services to be provided under the IKU Consultant Services Contract which relate to the Flour Business (as set out in Table B above) are aggregated with the Annual Caps of the Existing Flour Business Transactions, the Annual Caps for the Flour Business Transactions, for each of the three financial years ending 31 December 2011, 2012 and 2013, will be increased as follows:

	<b>Annual Caps</b>		
	<b>For the year ending 31 December 2011</b>	<b>For the year ending 31 December 2012</b>	<b>For the year ending 31 December 2013</b>
<b>Aggregated Annual Caps for the Flour Business Transactions</b>	US\$22.4 million (equivalent to approximately HK\$174.7 million)	US\$25.3 million (equivalent to approximately HK\$197.3 million)	US\$28.4 million (equivalent to approximately HK\$221.5 million)

When the Annual Caps of the Tarumatex Rental Contract and the Annual Caps in respect of the services to be provided under the IKU Consultant Services Contract which relate to the Flour Business for each of the three financial years ending 31 December 2011, 2012 and 2013 are aggregated with the Annual Caps of the Existing Flour Business Transactions, one or more of the percentage ratios exceeds 0.1% but none of the percentage ratios exceeds 5%. Accordingly, the Tarumatex Rental Contract and the services to be provided under the IKU Consultant Services Contract which relate to the Flour Business and the Existing Flour Business Transactions, 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 requirements.

**TABLE D – AGGREGATE ANNUAL CAPS FOR THE VARIOUS CATEGORIES OF BUSINESS TRANSACTIONS**

When the Annual Caps as set out in Table B above for the services to be provided under the IKU Consultant Services Contract which relate to the Plantations Business, Packaging Business and Distribution Business, respectively, are aggregated with the previously announced Annual Caps in respect of the Existing Plantations Business Transactions, Existing Packaging Business Transactions and Existing Distribution Business Transactions, the Annual Caps for the Plantations Business Transactions, Packaging Business Transactions and Distribution Business Transactions, for each of the three financial years ending 31 December 2011, 2012 and 2013, will be increased as follows:



Agreement/Categories of business transactions	Annual Caps		
	For the year ending 31 December 2011	For the year ending 31 December 2012	For the year ending 31 December 2013
Aggregated Annual Caps for the Plantations Business Transactions	US\$36.3 million (equivalent to approximately HK\$283.1 million)	US\$47.8 million (equivalent to approximately HK\$372.8 million)	US\$56.8 million (equivalent to approximately HK\$443.0 million)
Aggregated Annual Caps for the Packaging Business Transactions	US\$18.0 million (equivalent to approximately HK\$140.4 million)	US\$23.8 million (equivalent to approximately HK\$185.6 million)	US\$30.4 million (equivalent to approximately HK\$237.1 million)
Aggregated Annual Caps for the Distribution Business Transactions	US\$67.3 million (equivalent to approximately HK\$524.9 million)	US\$72.5 million (equivalent to approximately HK\$565.5 million)	US\$78.2 million (equivalent to approximately HK\$610.0 million)

When the Annual Caps in respect of the services to be provided under the IKU Consultant Services Contract which relate to the Plantations Business, Packaging Business and Distribution Business for each of the three financial years ending 31 December 2011, 2012 and 2013 (as set out in Table B above) are aggregated with each of the previously announced Annual Caps in respect of the Existing Plantations Business Transactions, Existing Packaging Business Transactions and Existing Distribution Business Transactions, one or more of the percentage ratios exceeds 0.1% but none of the percentage ratios exceeds 5%. Accordingly, the services to be provided under the IKU Consultant Services Contract which relate to the Plantations Business, Packaging Business and Distribution Business and the Existing Plantations Business Transactions, Existing Packaging Business Transactions and Existing Distribution Transactions carried on by the Indofood Group, 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 requirements.

#### **VIEWS OF THE DIRECTORS**

The directors (including the independent non-executive directors) of the Company consider that the terms of the Tarumatex Rental Contract and the IKU Consultant Services Contract and their respective Annual Caps and the aggregated Annual Caps in respect of the Flour Business Transactions, Plantations Business Transactions, Packaging Business Transactions and Distribution Business Transactions are fair and reasonable and in the interest of the Company and its shareholders as a whole.

The directors believe that the entering into of the Tarumatex Rental Contract will be beneficial to Indofood because the Premises is located near the business location of many small medium enterprises which are customers of Indofood and the Premises can provide storage capacity to accommodate the demand from such companies in the nearby areas.

The directors believe that the entering into of the IKU Consultant Services Contract will be beneficial to Indofood because IKU has experienced personnel with the technical capability to handle and monitor Indofood's projects under the IKU Consultant Services Contract.

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 NEW FLOUR BUSINESS TRANSACTIONS**

Tarumatex is a textile manufacturer. Tarumatex produces fabrics, mostly use for clothes.

IKU is engaged in the business of consultancy and engineering in Indonesia. IKU is considered one of the most reputable consultant companies which provide services in relation to engineering and project management in Indonesia.

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

The Company is a Hong Kong-based investment management and holding company with operations located in Asia. The Company's principal business interests relate to telecommunications, infrastructure, consumer food products 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. It is based and listed in Jakarta; its Consumer Branded Products subsidiary PT Indofood CBP Sukses Makmur Tbk and agribusiness subsidiaries PT Salim Ivomas Pramata Tbk and PT PP London Sumatra Indonesia Tbk are also listed in Jakarta. Another subsidiary, Indofood Agri Resources Ltd. is listed in Singapore. Through its four complementary strategic business groups, Indofood manufactures and distributes a wide range of food products: Consumer Branded Products (noodles, dairy, food seasonings, snack foods and nutrition and special foods), Bogasari (flour and pasta), Agribusiness (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 noodle manufacturers by volume, one of the largest plantation companies by area

and the largest flour miller in Indonesia. Indofood's flourmill in Jakarta is 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, 31 October 2011

*Unless stated otherwise, translations of quoted currency values are made on an approximate basis and at the rate of US\$1.00 = Rupiah 9,100 = 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

Graham L. Pickles\*

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

Tedy Djuhar

Ibrahim Risjad

Benny S. Santoso

Napoleon L. Nazareno

Jun Tang\*

Dr. Christine K.W. Loh\*, *JP, OBE*

*Chevalier de l'Ordre National du Merite*

\* *Independent Non-executive Directors*