

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **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)**

## **CONTINUING CONNECTED TRANSACTIONS**

### **REVISED ANNUAL CAPS IN RESPECT OF THE INDOFOOD GROUP'S BEVERAGE BUSINESS TRANSACTIONS RELATING TO ASSOCIATES OF MR. SALIM FOR 2015 AND 2016**

Reference is made to the Company's announcement dated 15 October 2014 relating to certain continuing connected transactions in respect of the Indofood Group's noodles business, plantations business, insurance business, distribution business, flour business, beverage business and dairy business and the respective Annual Caps for 2014, 2015 and 2016.

This announcement contains details of the revised Annual Caps for 2015 and 2016 in respect of the Beverage Business transactions relating to associates of Mr. Salim announced in the 2014 Announcement.

When the revised Annual Caps in respect of the Beverage Business transactions relating to associates of Mr. Salim are aggregated, one or more of the percentage ratios exceeds 0.1% but none of the percentage ratios exceeds 5%. Accordingly, the Beverage Business transactions relating to associates of Mr. Salim and the revised aggregated Annual Caps are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but not the independent shareholders' approval requirements.

The Directors (including the Independent Non-executive Directors) consider that the Beverage Business transactions relating to associates of Mr. Salim are in the ordinary and usual course of business of the Indofood Group and on normal commercial terms, and the terms are fair and reasonable and in the interests of the Company and its shareholders as a whole.

Reference is made to the Company's announcement dated 15 October 2014 relating to certain continuing connected transactions in respect of the Indofood Group's noodles business, plantations business, insurance business, distribution business, flour business, beverage business and dairy business and the respective Annual Caps for 2014, 2015 and 2016.

**REVISED ANNUAL CAPS IN RESPECT OF THE BEVERAGE BUSINESS  
TRANSACTIONS RELATING TO ASSOCIATES OF MR. SALIM FOR 2015 AND  
2016**

This announcement contains details of the revised Annual Caps for 2015 and 2016 in respect of the Beverage Business transactions relating to associates of Mr. Salim announced in the 2014 Announcement.

As stated in the 2014 Announcement, the previously announced Annual Caps for the Beverage Business Transactions were determined based on estimated activity levels between the parties. As a result of the expansion of the Beverage Business, the aggregated Annual Caps in respect of the Beverage Business Transactions increase from US\$8.8 million (equivalent to approximately HK\$68.6 million) to US\$12.9 million (equivalent to approximately HK\$100.6 million) for 2015 and from US\$10.4 million (equivalent to approximately HK\$81.1 million) to US\$19.4 million (equivalent to approximately HK\$151.3 million) for 2016. The revised Annual Caps for 2015 and 2016 have been determined based on the estimated activity levels between the parties, taking into account the historical values of the relevant transactions in 2014 and during the period from 1 January 2015 to 31 August 2015.

A summary of each of the Beverage Business Transactions, their respective historical amounts for 2014, their existing Annual Caps for 2015 and 2016 as set out in the 2014 Announcement and the revised Annual Caps for 2015 and 2016 is set out in the table below.

Parties to the agreement/arrangement			Actual transaction amount for the year ended 31 December 2014	Actual transaction amount for the period from 1 January 2015 to 31 August 2015	Existing Annual Cap for the year ending 31 December 2015		Revised Annual Cap for the year ending 31 December 2016	
Name of entity of the Indofood Group "Party A"	Name of connected party "Party B"	Nature of agreement/arrangement	(US\$ millions)	(US\$ millions)	(US\$ millions)	(US\$ millions)	(US\$ millions)	(US\$ millions)
Indofood Asahi and its subsidiaries	SDM	Party A uses human resources outsourcing services from Party B	0.1	0.1	0.1	0.1	0.2	0.4
Indofood Asahi and its subsidiaries	Indomaret	Party A sells finished goods to Party B	3.6	4.2	5.3	5.5	8.0	12.0
Indofood Asahi and its subsidiaries	Indogrosir	Party A sells finished goods to Party B	0.6	0.5	0.6	0.7	1.0	1.5
Indofood Asahi and its subsidiaries	Indomobil and its subsidiaries	Party B sells/rents cars, provides car services and sells spare parts to Party A	0.4	0.4	2.7	4.0	2.7 (not revised)	4.0 (not revised)
Indofood Asahi and its subsidiaries	LS	Party A sells drinking products to Party B	0.0	0.0	0.1	0.1	1.0	1.5
<b>Aggregated amount:</b>			<b>4.7</b>	<b>5.2</b>	<b>8.8</b>	<b>10.4</b>	<b>12.9</b>	<b>19.4</b>

Each of the Beverage Business Transactions referred to in the table above constitutes a continuing connected transaction for the Company under Rule 14A.31 of the Listing Rules because:

- (i) Mr. Salim is the Chairman of the Board, a substantial shareholder of the Company and the President Director and CEO of Indofood; and
- (ii) each of the counterparties is an associate of Mr. Salim.

## **LISTING RULES IMPLICATIONS**

When the revised Annual Caps in respect of the Beverage Business transactions relating to associates of Mr. Salim are aggregated, one or more of the percentage ratios exceeds 0.1% but none of the percentage ratios exceeds 5%. Accordingly, the Beverage Business transactions relating to associates of Mr. Salim and the revised aggregated Annual Caps are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but not the independent shareholders' approval requirements.

## **PRICING POLICY AND REASONS FOR AND BENEFITS OF ENTERING INTO THE BEVERAGE BUSINESS TRANSACTIONS**

As disclosed in the 2014 Announcement, the consideration under the Beverage Business Transactions is payable in accordance with credit terms agreed between the parties in relation to each purchase order, in cash. Indofood Group takes into account the following procedures and/or policies in negotiating with the connected parties to agree and determine the prices of the Beverage Business Transactions with reference to normal commercial terms and on an arm's length basis between Indofood Group and the connected parties and are in any event no less favourable than those prevailing in the market for the relevant goods and/or services of the same type and quality and those offered to independent third parties.

- (1) In relation to the transactions involving sales of goods or services by Indofood Group, Indofood Group compares the selling prices with those of similar products sold to independent third parties in similar quantities to ensure that the prices are no less favourable than those offered to independent third parties.
- (2) In relation to the transactions involving purchases of goods or services by Indofood Group, Indofood Group will conduct the following bidding process to ensure that the price and terms offered by a connected party are fair, reasonable and comparable to those offered by independent third parties:
  - (a) request and compare quotations for products or services of the same type and quality from qualified suppliers (which are mostly independent) with similar size, reputation, quality of services, capabilities (delivery, safety etc.) and track records;
  - (b) review and evaluate each quotation to check if it meets the respective specification and scope of products or services; and
  - (c) negotiate with the suppliers to get the best price and service.

Having considered the Beverage Business Transactions, the Indofood Group and the Company believe that the Beverage Business Transactions, which are on normal commercial terms, are beneficial to the Indofood Group and the Company for the continued expansion of the Indofood Group's business operations, revenue and operational profitability, the maximising of the production capacities of the distribution network and the increase of brand awareness of the Indofood Group.

### **DIRECTORS' VIEWS**

The Directors (including the Independent Non-executive Directors) consider that the Beverage Business transactions relating to associates of Mr. Salim are in the ordinary and usual course of business of the Indofood Group and on normal commercial terms, and the terms are fair and reasonable and in the interests of the Company and its shareholders as a whole.

Under Rule 14A.68(8) 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. Salim, who has a material interest in the Beverage Business Transactions, has abstained from voting at the relevant board meeting in respect of the Beverage Business Transactions, where the revised Annual Caps in respect of the Beverage Business Transactions were considered and approved. None of the other Directors has a material interest in the Beverage Business Transactions.

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

SDM is a human resources management service company that has experience in handling industrial relation and manpower cases.

The principal business of Indomaret is the operation of minimarkets in Indonesia. It is one of the Indonesia's largest minimarket operators by number of stores and it has a subsidiary, PT Indosato Jaya Makmur.

The principal business of Indogrosir is wholesaling of customer goods to modern and traditional retailers and end users.

The principal businesses of Indomobil and its subsidiaries are brand holding sole agent, vehicle sales distribution, after sales service, vehicle ownership financing, spare part distribution under the "IndoParts" brand, vehicle assembly, automotive parts/component manufacturing and other related support services. Indomobil manages brands including Audi, Foton, Hino, Kalmar, Manitou, Nissan, Renault, Renault Trucks, Suzuki, Volkswagen, Volvo, Volvo Trucks and Volvo Construction Equipment in Indonesia.

LS is engaged in the business of operating supermarkets in certain major cities 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-Pacific. Its principal business interests relate to telecommunications, consumer food products, infrastructure and natural resources.

Indofood is a leading Total Food Solutions company with operations in all stages of food manufacturing from the production of raw materials and their processing through to consumer products and distribution to the market. It is based and listed in Indonesia; its Consumer Branded Products subsidiary PT Indofood CBP Sukses Makmur Tbk and agribusiness subsidiaries PT Salim Ivomas Pratama Tbk and PT PP London Sumatra Indonesia Tbk are also listed in Indonesia. Two other subsidiaries, Indofood Agri Resources Ltd. and China Minzhong Food Corporation Limited, are listed in Singapore and an agribusiness associate Roxas Holdings Inc. is listed in the Philippines. Through its five complementary Strategic Business groups, Indofood manufactures and distributes a wide range of food products: Consumer Branded Products (noodles, dairy, non-alcoholic beverages, snack foods, food seasonings and nutrition and special foods), Bogasari (flour and pasta), Agribusinesses (oil palm, rubber, sugar cane, cocoa and tea plantations, cooking oils, margarine and shortening), Distribution and Cultivation & Processed Vegetables (fresh and processed vegetables). 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.

## **DEFINITIONS**

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

“2014 Announcement”	the Company’s announcement dated 15 October 2014 relating to certain continuing connected transactions in respect of the Indofood Group’s noodles business, plantations business, insurance business, distribution business, flour business, beverage business and dairy business and the respective Annual Caps for 2014, 2015 and 2016;
“Annual Cap(s)”	the estimated maximum annual value in relation to a continuing connected transaction, as required by Rule 14A.53 of the Listing Rules;
“associate”	has the meaning ascribed to it in the Listing Rules;
“Beverage Business”	the beverage business carried on by the Indofood Group;

“Beverage Business Transactions”	the Beverage Business transactions relating to associates of Mr. Salim, as set out in the table above in this announcement;
“Board”	board of Directors;
“Company”	First Pacific Company Limited, an exempted company incorporated in Bermuda with limited liability, and having its shares listed on the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries 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 Asahi”	PT Indofood Asahi Sukses Beverage, a member of the Indofood Group;
“Indofood Group”	Indofood and its subsidiaries from time to time;
“Indogrosir”	PT Inti Cakrawala Citra, an associate of Mr. Salim;
“Indomaret”	PT Indomarco Prismatama, an associate of Mr. Salim;
“Indomobil”	PT Indomobil Sukses Internasional Tbk, an associate of Mr. Salim;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“LS”	PT Lion Superindo, an associate of Mr. Salim;
“Mr. Salim”	Mr. Anthoni Salim, the Chairman of the Board, a substantial shareholder of the Company and the President Director and CEO of Indofood;

“SDM”	PT Sumberdaya Dian Mandiri, an associate of Mr. Salim;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“US\$”	United States dollars, the lawful currency of the United States of America; and
“%”	per cent.

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.

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

Hong Kong, 16 October 2015

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  
Napoleon L. Nazareno

***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