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**SALERNI INTERNATIONAL LIMITED**  
(Incorporated in the British Virgin Islands with limited liability)

**FIRST PACIFIC COMPANY LIMITED**  
(Incorporated with limited liability under the laws of Bermuda)  
(Stock Code: 00142)

**MANDATORY CONDITIONAL CASH OFFERS  
TO BE MADE BY  
CIMB  
CIMB-GK SECURITIES (HK) LIMITED  
ON BEHALF OF  
SALERNI INTERNATIONAL LIMITED  
TO ACQUIRE ALL THE ISSUED SHARES IN THE CAPITAL OF,  
AND TO CANCEL ALL OUTSTANDING OPTIONS OF,  
FIRST PACIFIC COMPANY LIMITED  
(OTHER THAN THOSE SHARES ALREADY BENEFICIALLY OWNED BY SALERNI  
INTERNATIONAL LIMITED  
AND PARTIES ACTING IN CONCERT WITH IT)  
AND  
APPOINTMENT OF THE INDEPENDENT FINANCIAL ADVISER**

Financial adviser to Salerni International Limited

**CIMB**  
**CIMB-GK Securities (HK) Limited**

**The Acquisitions**

The Company was notified by the Offeror on 27 April 2006 that Mr. Anthoni Salim and certain other Shareholders have agreed, pursuant to the Acquisitions, to reorganise their respective interests in the Company and the composition of their Concert Party and that pursuant to such reorganisation Mr. Anthoni Salim (and/or companies wholly owned by him) will increase his investment in the Company. Pursuant to the Acquisitions, the Offeror, which is a company wholly owned by Mr. Anthoni Salim, has agreed to acquire all the FPIL (BVI) Shares not already owned by Mr. Anthoni Salim (or companies controlled by him), thereby increasing his interest in FPIL (BVI) from approximately 33.334% to 100% of FPIL (BVI); and shares representing 46.80% of FPIL (Liberia) thereby increasing the shareholding of Mr. Anthoni Salim's interest in FPIL (Liberia) from 10.00% to 56.80% of FPIL (Liberia). Please see "The Acquisitions" below for information.

**Mandatory Conditional Cash Offers as a result of the application of the "Chain Principle"**

The Acquisitions were completed on 27 April 2006 and the Offeror and its Concert Parties beneficially own the entire issued share capital of FPIL (BVI) and approximately 56.80% of the issued share capital of FPIL (Liberia). Accordingly, as a result of acquiring statutory control of both FPIL (BVI) and FPIL (Liberia), the Offeror and its Concert Parties are interested in approximately 44.48% of the issued share capital of the Company as at the date of this announcement.

Under the "chain principle" referred to in Note 8 to Rule 26.1 of the Takeovers Code, the above reorganisation of the respective shareholding interests in FPIL (BVI) and FPIL (Liberia) and the acquisition by the Offeror and its Concert Parties of statutory control of each of those companies results in an obligation for the Offeror to make a mandatory conditional cash offer for all the Shares and an appropriate offer for all the outstanding options not already owned or agreed to be acquired by the Offeror or its Concert Parties.

Accordingly, pursuant to Rule 26 and Rule 13 of the Takeovers Code, upon Completion, the Offeror is obliged to make a mandatory conditional cash offer for all the Shares and an appropriate offer for all the outstanding Options not already owned or agreed to be acquired by the Offeror or its Concert Parties. In accordance with the Takeovers Code, the Share Offer Price has been calculated as the "see through" price paid for each Share which is derived from the consideration for the FPIL (BVI) Shares and the FPIL (Liberia) Shares under the Acquisitions.

The Share Offer Price so calculated is at a discount to the current market price of the Shares, and reflects the fact that it is derived from the commercially agreed terms of a reorganisation of the respective interests of the Salim Family and its concert party within the concert party group itself. The consideration for the FPIL (BVI) Shares and FPIL (Liberia) Shares also reflects that FPIL (BVI) and FPIL (Liberia) are private non-listed companies with significant minority shareholdings and that the shares in those companies are illiquid.

**The Offers**

CIMB-GK will, on behalf of the Offeror, make the Offers on the terms and subject to the conditions referred to in this announcement and to be set out in the Composite Document to acquire all the issued Shares and all the outstanding Options not already owned by the Offeror and its Concert Parties. The principal terms of the Offers are set out under the section headed "Terms of the Offers" below.

The Share Offer will be conditional upon the Offeror having received valid acceptances of the Share Offer in respect of Shares which, together with the Shares already owned or agreed to be acquired by the Offeror and its Concert Parties before or during the offer period of the Offers, will result in the Offeror and its Concert Parties holding more than 50% of the voting rights of the Company by 4:00 p.m. on the First Closing Date. The Option Offer will be subject to and conditional upon the Share Offer becoming unconditional in all respects.

**Despatch of offer document**

The Composite Document containing, among other things, the terms of the Offers, the acceptance and transfer/cancellation forms for the Shareholders and the Optionholders to accept the Offers, the advice from the Independent Board Committee and the advice from the independent financial adviser to the independent board committee of the Company is expected to be despatched to the Shareholders and the Optionholders within 21 days from the publication of this announcement or such later date as the Executive may approve. The Independent Board Committee has been established to advise the Shareholders and the Optionholders in respect of the Offers. The Company has appointed Somerley Limited as the independent financial adviser to advise the Independent Board Committee in respect of the Offers.

**Suspension and resumption of trading**

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 28 April 2006 pending the issue of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 2 May 2006.

**Warning**

The Offers are subject to conditions set out in the paragraph headed "Conditions of the Offers" below. If the Offeror does not, by 4:00 p.m. on the First Closing Date, receive valid acceptances of the Share Offer, which together with the Shares already owned or agreed to be acquired by the Offeror and its Concert Parties, constitute more than 50% of the voting rights of the Company, the Share Offer cannot become unconditional and the Offers will lapse unless they are revised or extended. The Offeror has no intention to extend the offer period beyond the First Closing Date or to revise the Share Offer Price or the Option Offer Price.

The Board also wishes to draw to the attention of the Shareholders and potential investors that the Share Offer Price represents a substantial discount to the prevailing market price of the Shares and to the Adjusted NAV per Share. Accordingly, they should pay attention to the advice of the Independent Board Committee and the advice of Somerley Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders, to be contained in the Composite Document, which will be despatched to the Shareholders and Optionholders within 21 days from the date of this announcement.

**Shareholders of and potential investors in the Company should therefore exercise caution when dealing in the Shares.**

**THE ACQUISITIONS**

FPIL (BVI) currently holds 628,296,599 Shares, representing approximately 19.70% of the Company's issued share capital, while FPIL (Liberia) currently holds 790,229,364 Shares, representing approximately 24.78% of the Company's issued share capital.

FPIL (BVI) is a company in which Mr. Anthoni Salim (or companies wholly owned by him) had an approximately 33.334% shareholding, with the remaining FPIL (BVI) Shares being held by companies wholly owned by Mr. Anthoni Salim's father and brother. FPIL (Liberia) was held as to 10.00% by Mr. Anthoni Salim; 30.00% by his father Mr. Soedono Salim; 30.00% by Mr. Sutanto Djuhar; 10.00% by Mr. Tedy Djuhar; 10.00% by Mr. Ibrahim Risjad; and 10.00% by Mr. Sudwikatmono, or through companies owned by them. Messrs. Sutanto Djuhar, Tedy Djuhar and Ibrahim Risjad are each non-executive Directors, Mr. Soedono Salim is an advisor to the Board and Honorary Chairman of the Company while Mr. Sudwikatmono is an advisor to the Board and was formerly a Director.

The Salim Family and the above Djuhar family members, Messrs. Ibrahim Risjad and Sudwikatmono constitute a concert party which has been a long term investor in the Company through FPIL (BVI) and FPIL (Liberia) as the principal investment vehicles. The concert party group is led by the Salim Family and specifically by Mr. Anthoni Salim.

Pursuant to the Acquisitions, the Offeror, which is a company wholly owned by Mr. Anthoni Salim, has agreed to acquire:

- (a) from companies respectively wholly owned by Mr. Anthoni Salim's father and brother, all the FPIL (BVI) Shares not already owned by Mr. Anthoni Salim (or companies controlled by him), thereby increasing his interest in FPIL (BVI) from approximately 33.334% to 100% of FPIL (BVI); and
- (b) shares representing 30.00% of FPIL (Liberia) from a company wholly owned by Mr. Soedono Salim (the father of Mr. Anthoni Salim); shares representing 10.00% of FPIL (Liberia) from a company wholly owned by Mr. Sudwikatmono; and shares representing 6.80% of FPIL (Liberia) from a company wholly owned by Mr. Ibrahim Risjad; thereby increasing Mr. Anthoni Salim's interest in FPIL (Liberia) from 10.00% to 56.80% of FPIL (Liberia).

**Acquisitions of the FPIL (BVI) Shares**

1st Vendors: Lagrima Investments Limited and Crisciuta Limited, respectively owning 33.334% and 33.332% of the issued share capital of FPIL (BVI).

The issued capital of each of Lagrima Investments Limited and Crisciuta Limited is wholly owned by Mr. Soedono Salim and Mr. Andree Halim respectively.

Purchaser: the Offeror

**FPIL (BVI) Shares to be transferred**

66,666 FPIL (BVI) Shares, representing 66.666% of the issued share capital of FPIL (BVI) as at the date of this announcement. The acquisitions of the FPIL (BVI) Shares were completed on 27 April 2006.

**Consideration**

Based on the consideration for the 66,666 FPIL (BVI) Shares of approximately HK\$921.49 million, the implied consideration for the Offeror's acquisition of the 66.666% attributable interest in the 628,296,599 Shares held by FPIL (BVI) is equivalent to HK\$2.20 per Share.

**Acquisitions of the FPIL (Liberia) Shares**

2nd Vendors: Lagrima Investments Limited, Thrivetime Limited and Bethrive Limited, respectively owning 30.00%, 10.00% and 10.00% of the issued share capital of FPIL (Liberia).

The issued capital of each of Lagrima Investments Limited, Thrivetime Limited and Bethrive Limited is wholly owned by Mr. Soedono Salim, Mr. Sudwikatmono and Mr. Ibrahim Risjad respectively.

Purchaser: the Offeror

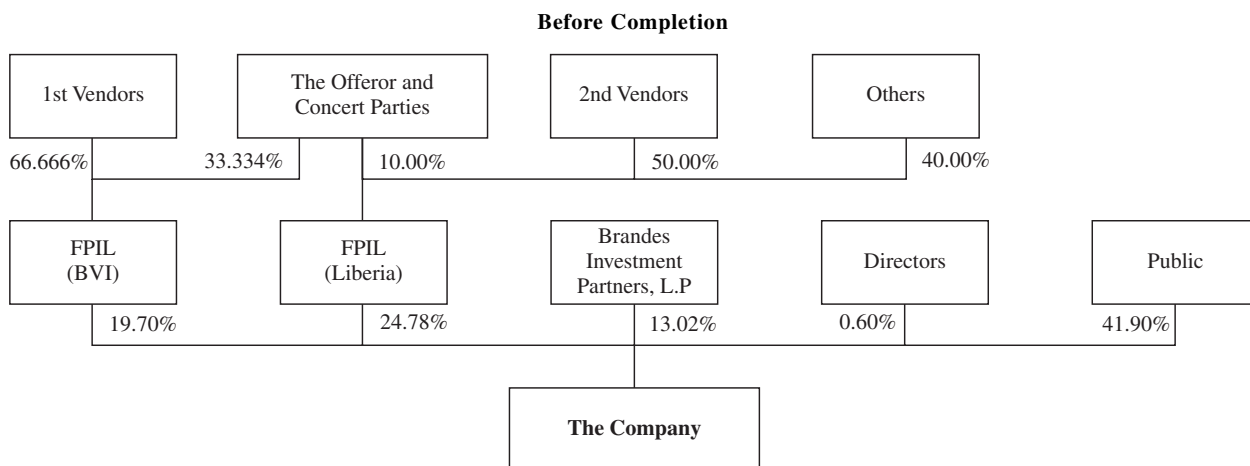
**FPIL (Liberia) Shares to be transferred**

234 FPIL (Liberia) Shares, representing approximately 46.80% of the issued share capital of FPIL (Liberia) as at the date of this announcement. The acquisitions of the FPIL (Liberia) Shares were completed on 27 April 2006.

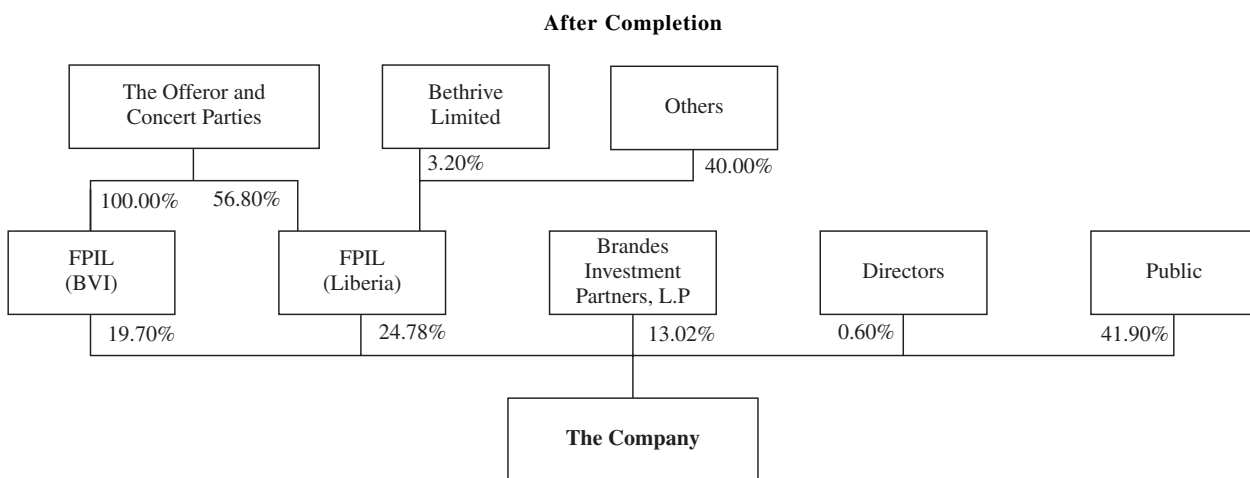
**Consideration**

Based on the consideration for the 234 FPIL (Liberia) Shares of approximately HK\$813.62 million, the implied consideration for the Offeror's acquisition of the 46.80% attributable interests in the 790,229,364 Shares held by FPIL (Liberia) is equivalent to HK\$2.20 per Share. Save for the Acquisitions, neither the Offeror nor any of its Concert Parties has dealt in any Shares or any other securities convertible into Shares, including warrants, options or subscription rights in the Company, during the six-month period prior to the date on which the Acquisitions were effected.

The shareholding structure of the Company before and after Completion but before the commencement of the Offers (assuming that the Options have not been exercised) is as follows:



Note: Based on the issued share capital of 3,188,833,003 Shares in issue as at the date of this announcement.



Note: Based on the issued share capital of 3,188,833,003 Shares in issue as at the date of this announcement.

**MANDATORY CONDITIONAL CASH OFFERS AS A RESULT OF THE APPLICATION OF THE “CHAIN PRINCIPLE”**

As at the date of this announcement, the Offeror and its Concert Parties beneficially own the entire issued share capital of FPIL (BVI) and approximately 56.80% of the issued share capital of FPIL (Liberia). Accordingly, as a result of acquiring statutory control of both FPIL (BVI) and FPIL (Liberia), the Offeror and its Concert Parties are interested in approximately 44.48% of the issued share capital of the Company as at the date of this announcement.

Under the “chain principle” referred to in Note 8 to Rule 26.1 of the Takeovers Code, the above reorganisation of the respective shareholding interests in FPIL (BVI) and FPIL (Liberia) and the acquisition by the Offeror and its Concert Parties of statutory control of each of those companies results in an obligation for the Offeror to make a mandatory conditional cash offer for all the Shares and an appropriate offer for all the outstanding options not already owned or agreed to be acquired by the Offeror or its Concert Parties.

Accordingly, pursuant to Rule 26 and Rule 13 of the Takeovers Code, upon Completion, the Offeror is obliged to make a mandatory conditional cash offer for all the Shares and an appropriate offer for all the outstanding Options not already owned or agreed to be acquired by the Offeror or its Concert Parties.

**The Offers**

CIMB-GK will, on behalf of the Offeror, make the conditional Offers for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and its Concert Parties) and all the outstanding Options in cash, on the following basis:

- For each Share .....HK\$2.20 in cash
- For cancellation of each Option .....HK\$0.44 in cash

In accordance with the Takeovers Code, the Share Offer Price has been calculated as the “see through” price paid for each Share which is derived from the consideration for the FPIL (BVI) Shares and FPIL (Liberia) Shares under the Acquisitions. The Share Offer Price so calculated is at a discount to the current market price of the Shares, and reflects the fact that it is derived from the commercially agreed terms of a reorganisation of the respective interests of the Salim Family and its concert party within the concert party group itself. The consideration for the FPIL (BVI) Shares and FPIL (Liberia) Shares also reflects that FPIL (BVI) and FPIL (Liberia) are private non-listed companies with significant minority shareholdings and that the shares in those companies are illiquid.

**Comparison of value**

The Share Offer Price represents:

- (a) a discount of approximately 32.31% to the closing price of Shares on the Stock Exchange of HK\$3.25 per Share, being the last price traded immediately prior to the suspension of trading in Shares on 28 April 2006;
- (b) a discount of approximately 32.31% to the average closing price of Shares on the Stock Exchange of HK\$3.25 per Share for the five trading days up to and including the last trading day immediately prior to the suspension of trading in Shares on 28 April 2006;
- (c) a discount of approximately 31.20% to the average closing price of Shares on the Stock Exchange of HK\$3.198 per Share for the 10 trading days up to and including the last trading day immediately prior to the suspension of trading in Shares on 28 April 2006;

- (d) a premium of approximately 134.04% to the audited consolidated net asset value per Share of approximately HK\$0.94 as at 31 December 2005 (based on the Group's audited consolidated net asset value of approximately HK\$2,985.8 million as at 31 December 2005 and 3,188,833,003 Shares in issue as at the date of this announcement); and
- (e) a discount of approximately 47.74% to the Adjusted NAV per Share of approximately HK\$4.21 as at 31 December 2005 as disclosed in the Company's annual report for the year ended 31 December 2005.

During the six-month period preceding the date of this announcement, the highest closing price of the Shares quoted on the Stock Exchange was HK\$3.325 (on 21 April 2006) and the lowest closing price of the Shares quoted on the Stock Exchange was HK\$2.475 per Share (on 25 October 2005).

As at the date of this announcement, the Company has 131,746,000 outstanding Options, and the exercise in full of such Options would result in the issue of an additional 131,746,000 Shares (representing 3.97% of the issued share capital of the Company as enlarged by the exercise of such number of Options). The Option Offer Price has been determined with reference to the difference between the Share Offer Price and the exercise price of HK\$1.76 for each Option.

As at the date of this announcement, save for the Options referred to above, the Company has no other convertible securities, options, derivatives or warrants outstanding and has not entered into any agreement for the issue of any convertible securities, options, warrants or derivatives of the Company.

The Offeror has no intention to increase the Share Offer Price or the Option Offer Price.

#### **Total consideration for the Offers**

Based on the total of 3,188,833,003 Shares in issue (of which 1,418,525,963 Shares are controlled by the Offeror and its Concert Parties) as at the date of this announcement, the Share Offer values the Company at approximately HK\$7,015.43 million. Based on the Option Offer Price, the aggregate amount payable by the Offeror under the Option Offer is approximately HK\$57.97 million. Assuming all the 131,746,000 Options are exercised in full and the new Shares issued as a result of such exercise are tendered in acceptance of the Share Offer, the maximum amount payable by the Offeror to meet full acceptance of the Offers will be approximately HK\$4,184.52 million. As at the date of this announcement, the Offeror has not received any irrevocable undertakings to or not to accept the Offers. None of the Directors intend to accept the Offers in respect of the Shares or the Options held by them.

The Offeror will be responsible for the full acceptances of the Offers. The Offeror will satisfy the maximum amount payable by it under full acceptances of the Offers in the sequential order of i) its own equity; ii) a stand-by facility granted by Bumiputra-Commerce Bank Berhad, Hong Kong Branch; and iii) the entering into of an underwriting agreement with CIMB-GK to underwrite the balance of the Shares (not already acquired by utilising the Offeror's own equity and the stand-by facility) tendered in acceptances of the Share Offer (the "Underwritten Shares") at the Share Offer Price. The Offeror, a company controlled by Mr Anthoni Salim ("Guarantor") and CIMB-GK have entered into an underwriting agreement whereby the parties have agreed, among other things, that if the Share Offer becomes unconditional as to acceptances, CIMB-GK will purchase and/or procure purchasers, at the Share Offer Price, for the Underwritten Shares validly tendered for acceptances under the Share Offer. Pursuant to Rule 21.2 of the Takeovers Code, subject to the prior consent of the Executive and following 24 hours public notice that such sales might be made, the Offeror and its Concert Parties cannot sell the Shares during the offer period. Application has been made to the Executive seeking prior consent to the underwriting arrangements described above, under Rule 21.2 of the Takeovers Code. CIMB-GK does not intend to place or dispose of such Underwritten Shares to independent third parties at below the Share Offer Price before the close of the Offers. The Guarantor has agreed to guarantee the performance of the Offeror's obligations under the underwriting agreement.

CIMB-GK is satisfied that sufficient financial resources are available to the Offeror to meet full acceptance of the Offers.

#### **Conditions of the Offers**

The Share Offer is conditional upon the Offeror having received valid acceptances of the Share Offer in respect of Shares which, together with the Shares already owned or agreed to be acquired by the Offeror and its Concert Parties before or during the offer period of the Offers, will result in the Offeror and its Concert Parties holding more than 50% of the voting rights of the Company by 4:00 p.m. on the First Closing Date. The Option Offer will be subject to and conditional upon the Share Offer becoming unconditional in all respects.

If the Offeror does not receive valid acceptances of the Share Offer in respect of Shares which, together with the Shares already beneficially owned or agreed to be acquired by the Offeror and its Concert Parties before or during the offer period of the Offers, will result in the Offeror and its Concert Parties holding more than 50% of the voting rights of the Company by 4:00 p.m. on the First Closing Date, the Share Offer cannot become unconditional and the Offers will lapse forthwith. The Offeror has no intention to extend the offer period beyond the First Closing Date or to revise the Share Offer Price or the Option Offer Price.

#### **Terms of the Offers**

Acceptance of the Share Offer by any Shareholder will be deemed to constitute a warranty by such person that all Shares sold by such person under the Share Offer are free from all liens, charges, options, claims, equities, adverse interests, third-party rights or encumbrances whatsoever and together with all rights accruing or attaching thereto, including, without limitation, the right to receive dividends and distributions declared, made or paid, if any, on or after the date of this announcement.

Acceptance of the Option Offer by any Optionholder will also be deemed to constitute a warranty by such Optionholders that all Options sold by such person under the Option Offer are free from all liens, charges, options, claims, equities, adverse interests, third-party rights or encumbrances whatsoever and together with all rights accruing or attaching thereto, and are to be cancelled and renounced together with all rights attaching thereto as at the date of this announcement or subsequently attaching to them.

The making of the Offers to persons with a registered address in jurisdictions outside Hong Kong may be affected by the applicable laws of the relevant jurisdictions. Shareholders and Optionholders who are citizens or residents or nationals of jurisdictions outside Hong Kong should inform themselves about and observe any applicable legal requirements in their own jurisdictions.

#### **Stamp duty**

Shareholders who accept the Share Offer are liable to pay the Seller's ad valorem stamp duty arising in connection with the relevant acceptance. The Offeror will pay on behalf of the accepting Shareholders the seller's ad valorem stamp duty arising in connection with the acceptances of the Share Offer amounting to HK\$1.00 for every HK\$1,000 or part thereof of the consideration, by deducting such stamp duty from the proceeds due to such accepting Shareholders under the Share Offer.

No stamp duty is payable in connection with the acceptance of the Option Offer.

#### **Payment**

Payment in cash in respect of acceptances of the Offers will be made as soon as possible in any event within 10 days of the date on which the relevant documents of title are received by the Offeror to render each such acceptance complete and valid or of the date on which the Offers become, or are declared, unconditional whichever is the later.

## INFORMATION ON THE GROUP

The Company is a Hong Kong based investment and management company with operations located in Southeast Asia. The Company's principal business interests comprise telecommunications and consumer food products which are held through associated companies and subsidiaries. The following is a summary of the Group's audited financial results for each of the three years ended 31 December 2005:

	For the year ended 31 December		
	2003	2004	2005
	(HK\$ 'million)	(HK\$ 'million)	(HK\$ 'million)
Turnover	16,862.0	16,025.9	15,491.6
Profit attributable to shareholders	578.0	966.4	803.4

The audited consolidated net asset value of the Group amounted to approximately HK\$2,985.8 million as at 31 December 2005.

## INFORMATION ON THE OFFEROR

The Offeror is an investment holding company. Mr. Anthoni Salim, the chairman of the Company, is interested in the entire issued capital of the Offeror. The directors of the Offeror are Messrs. Anthoni Salim, Benny Santoso (a non-executive Director) and Alamsah Suhardi. Mr. Anthoni Salim has served as a Director since 1981 and assumed the role of chairman of the Company in June 2003.

## INTENTIONS OF THE OFFEROR REGARDING THE GROUP

### Business and management

The Offeror's intention is for the Group to continue with its existing businesses. The Offeror will review the current board composition of the Group following the closing of the Offers.

### Maintaining of listing status of the Company

The Offeror intends to maintain the listing of the Shares on the Stock Exchange after the closing of the Offers. The Offeror intends that, following the closing of the Offers, appropriate steps will be taken as soon as possible to ensure that not less than 25% of the Shares will be held by the public.

The Stock Exchange has stated that if, at the closing of the Offers, less than 25% of the Shares are held by the public or if the Stock Exchange believes that:

- a false market exists or may exist in the trading of the Shares; or
- there are too few Shares in public hands to maintain an orderly market,

then the Stock Exchange will consider exercising its discretion to suspend trading in the Shares until a sufficient level of public float is attained.

The Stock Exchange will closely monitor all future acquisitions or disposals of assets by the Company. Pursuant to the Listing Rules, the Stock Exchange has the discretion to require the Company to issue an announcement and a circular to the Shareholders irrespective of the size of any proposed transactions, particularly when such proposed transactions represent a departure from the principal activities of the Company. The Stock Exchange also has the power, pursuant to the Listing Rules, to aggregate a series of acquisitions or disposals of the Company and any such transactions may result in the Company being treated as if it were a new listing applicant and subject to the requirements for new listing applicants set out in the Listing Rules.

### Compulsory acquisition

Pursuant to the Takeovers Code, except with the consent of the Executive, where the Offeror seeks to acquire or privatise the Company by means of the Offers and the use of compulsory acquisition rights, such rights may only be exercised if, in addition to satisfying any requirements imposed by the Companies Act 1981 of Bermuda, acceptance of the Offers (in each case of the disinterested Shares or Options) and purchases made by the Offeror and its Concert Parties during the period of four months after posting of the Composite Document totalling 90% of the disinterested Shares. The Offeror has not decided whether or not to apply any right which may be made available to it under the Companies Act 1981 of Bermuda to acquire compulsorily any Shares outstanding after the closing of the Offers.

## DESPATCH OF COMPOSITE DOCUMENT

The Composite Document containing, among other things, the terms of the Offers, the acceptance and transfer/cancellation forms for the Shareholders and Optionholders to accept the Offers, the advice from the Independent Board Committee and the advice from the independent financial adviser to the Independent Board Committee is expected to be despatched to the Shareholders and the Optionholders within 21 days from the publication of this announcement or such later date as the Executive may approve. The Independent Board Committee comprising the three independent non-executive Directors namely, Professor Edward K.Y. Chen, Messrs. Graham L. Pickles and David W.C. Tang has been established to advise the Independent Shareholders and the Independent Optionholders in respect of the terms of the Offers. The Company has appointed Somerley Limited as the independent financial adviser to advise the Independent Board Committee in respect of the Offers.

## WARNING

Independent Shareholders and Independent Optionholders are reminded that the Offers are subject to the conditions set out in the paragraph headed "Conditions of the Offers" above and if they do not become unconditional, the Offers will lapse accordingly unless they are revised or extended. The Offeror has no intention to extend the offer period beyond the First Closing Date or to revise the Share Offer Price or the Option Offer Price.

The Board wishes to draw to the attention of the Shareholders and potential investors that the Share Offer Price represents a substantial discount to the prevailing market price of the Shares and the Adjusted NAV per Share. Accordingly, they should pay attention to the advice to be given by the Independent Board Committee and the advice of Somerley Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders, to be contained in the Composite Document which will be despatched to the Shareholders and Optionholders within 21 days from the date of this announcement.

Independent Shareholders of and potential investors in the Company should therefore exercise caution when dealing in the Shares.

## DEALINGS DISCLOSURE

The respective associates of the Offeror and the Company are reminded to disclose their dealings in the securities of the Company under Rule 22 of the Takeovers Code.

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules of the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.

This does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.

## SUSPENSION AND RESUMPTION OF TRADING IN SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 28 April 2006 pending the issue of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 2 May 2006.

## Definitions

“1st Vendors”	Lagrima Investments Limited and Crisciuta Limited respectively owning approximately 33.334% and 33.332% of the issued share capital of FPIL (BVI) immediately prior to Completion
“2nd Vendors”	Lagrima Investments Limited, Thrivetime Limited and Bethrive Limited respectively owning 30.00%, 10.00% and 10.00% of the issued share capital of FPIL (Liberia) immediately prior to Completion
“Acquisitions”	the acquisition by the Offeror of 66,666 FPIL (BVI) Shares and 234 FPIL (Liberia) Shares from the 1st Vendors and the 2nd Vendors respectively
“acting in concert”	the same meaning ascribed to it in the Takeovers Code
“Adjusted NAV per Share”	the adjusted net asset value per Share of approximately HK\$4.21 as disclosed in the Company’s annual report for the year ended 31 December 2005
“associate(s)”	the same meaning ascribed to it in the Takeovers Code
“Board”	the board of Directors
“CIMB-GK”	CIMB-GK Securities (HK) Limited, a corporation licensed to conduct types 1 (dealing in securities), 4 (advising on securities) and 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance
“Company”	First Pacific Company Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Completion”	completion of the Acquisitions
“Composite Document”	the composite offer document to be issued by the Offeror and the response document to be issued by the Company to all Shareholders and Optionholders in accordance with the Takeovers Code containing, amongst other things, the terms of the Offers, the acceptance and transfer/cancellation forms, the recommendation of the independent board committee of the Company and the advice of the independent financial adviser relating to the terms of the Offers
“Concert Parties”	the meaning ascribed to parties “acting in concert” under the Takeovers Code
“Director(s)”	the director(s) of the Company
“Executive”	the executive director of the corporate finance division of the Securities and Futures Commission of Hong Kong or any of his delegates
“First Closing Date”	the date being 21 days after the date on which the Composite Document is posted
“FPIL (BVI)”	First Pacific Investments (BVI) Limited, a company incorporated in the British Virgin Islands, which is owned as to 33.334% by the Offeror’s Concert Parties, 33.334% by Lagrima Investments Limited and 33.332% by Crisciuta Limited prior to Completion
“FPIL (BVI) Shares”	shares of US\$1.00 each in the issued share capital of FPIL (BVI)
“FPIL (Liberia)”	First Pacific Investments Limited, a company incorporated in the Republic of Liberia, which is owned as to 10.00% by Mr. Anthoni Salim, 30.00% by Lagrima Investments Limited, 10.00% by Thrivetime Limited, 10.00% by Bethrive Limited, 30.00% by Mr. Sutanto Djuhar and 10.00% by Mr. Tedy Djuhar prior to Completion
“FPIL (Liberia) Shares”	shares of US\$2.00 each in the issued share capital of FPIL (Liberia)
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Board Committee”	the independent board committee comprising the three independent non-executive Directors namely, Professor Edward K.Y. Chen, Messrs. Graham L. Pickles and David W.C. Tang
“Independent Optionholders”	Optionholders other than the Offeror and its Concert Parties
“Independent Shareholders”	Shareholders other than the Offeror and its Concert Parties
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Offeror”	Salerni International Limited, a company incorporated in the British Virgin Islands on 23 March 2006 with limited liability, which is directly wholly owned by Mr. Anthoni Salim
“Offers”	the Share Offer and Option Offer
“Option(s)”	the option(s) granted by the Company under the employee share option scheme adopted by the Company on 24 May 2004 each conferring on the grantee thereof the right to subscribe for one new Share at the exercise price of HK\$1.76
“Optionholders”	holders of the Options
“Option Offer”	the mandatory conditional cash offer for cancellation of all outstanding Options to be made by CIMB-GK on behalf of the Offeror in accordance with the Takeovers Code
“Option Offer Price”	HK\$0.44 per Option payable under the Option Offer
“Salim Family”	Mr. Anthoni Salim, his father Mr. Soedono Salim and his brother Mr. Andree Halim
“Share(s)”	share(s) of US\$0.01 each in the issued share capital of the Company
“Shareholders”	holders of Shares
“Share Offer”	the mandatory conditional cash offer to be made by CIMB-GK on behalf of the Offeror for all outstanding Shares other than those already owned or agreed to be acquired by the Offeror or its Concert Parties
“Share Offer Price”	HK\$2.20 per Share payable under the Share Offer
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers of Hong Kong
“US\$”	United State dollars, the lawful currency of the United States of America
“%”	per cent.

*As at the date of this announcement, the executive Directors are Messrs. Anthoni Salim, Manuel V. Pangilinan, Edward A. Tortorici and Robert C. Nicholson and the independent non-executive Directors are Professor Edward K.Y. Chen (GBS, CBE, JP), Mr. Graham L. Pickles and Mr. David W.C. Tang (OBE, Chevalier de L'Ordre des Arts et des Lettres) and the non-executive Directors are His Excellency Albert F. del Rosario, Messrs. Sutanto Djuhar, Tedy Djuhar, Ibrahim Risjad and Benny S. Santoso.*

By order of the Board  
**Salerni International Limited**  
**Anthoni Salim**  
*Director*

By order of the Board  
**First Pacific Company Limited**  
**Robert C. Nicholson**  
*Director*

Hong Kong, 28 April 2006

*The directors of the Offeror accept full responsibility for the accuracy of the information (other than information relating to the Group) contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than opinions expressed by the Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information (other than information relating to the Offeror) contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than opinions expressed by the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.*

*Please also refer to the published version of this announcement in South China Morning Post and Hong Kong Economic Times.*