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FIRST PACIFIC COMPANY LIMITED
第一太平有限公司

(Incorporated with limited liability under the laws of Bermuda)
Website: <http://www.firstpacific.com>
(Stock Code: 00142)

POSSIBLE DISCLOSEABLE AND CONNECTED TRANSACTION

**MEMORANDUM OF UNDERSTANDING IN RELATION TO THE
POSSIBLE SALE OF A 52.94% INTEREST IN CHINA MINZHONG
FOOD CORPORATION LIMITED BY PT INDOFOOD SUKSES MAKMUR
TBK TO CHINA MINZHONG HOLDINGS LIMITED**

Reference is made to the Company's announcement dated 31 December 2014 relating to a letter of intent from CMZ BVI to Indofood, a 50.1% owned subsidiary of the Group, to purchase 347,000,000 shares of CMZ held by Indofood, representing approximately 52.94% of the issued share capital of CMZ, at S\$1.20 (equivalent to approximately US\$0.86 or HK\$6.73) per share of CMZ.

The Board announces that on 14 October 2015, Indofood and CMZ BVI entered into a binding MOU, which sets out the terms upon which the Parties will continue to discuss and work towards finalisation of a definitive SPA for the Proposed Transaction. The principal terms of the MOU are set out below in this announcement.

In consideration of Indofood entering into the MOU, CMZ BVI has agreed to pay Indofood no later than 30 December 2015 earnest sums amounting to S\$40,000,000 (equivalent to approximately US\$28,776,978 or HK\$224,460,432), which shall be treated as part of the consideration payable to Indofood for the Proposed Transaction upon the consummation of the transaction.

The total consideration for the Proposed Transaction, if consummated, would be S\$416.4 million (equivalent to approximately US\$299.6 million or HK\$2,336.6 million). The entire share capital of CMZ BVI is held by Mr. Siek Wei Ting, Executive Director and the Chief Financial Officer of CMZ, on trust for Mr. Lin Guo Rong, Executive Chairman and Chief Executive Officer of CMZ. Therefore, CMZ BVI is a connected person of the Group. The execution of the definitive SPA would, if consummated, constitute a discloseable transaction and a connected transaction for the Company under Chapter 14 and Chapter 14A of the Listing Rules respectively. If the SPA is entered into, the Company will comply with the relevant requirements under Chapter 14 and Chapter 14A of the Listing Rules. Further details relating to the SPA will be announced, if and when it is entered into.

As at the date of this announcement, CMZ is a 82.88% owned subsidiary of Indofood. CMZ is classified as a disposal group held for sale and as a discontinued operation in the Group's audited consolidated financial statements for the year ended 31 December 2014. That classification will be subject to further assessment from time to time in accordance with the applicable accounting standards. In the event of any change in the classification of CMZ, the Company will make a further announcement in that respect.

The MOU states that it is legally binding between the Parties, save that the Proposed Transaction is subject to, and expressed to be conditional on, the fulfilment of certain conditions precedent, including the signing of the definitive SPA and the finalization of CMZ BVI's funding arrangements on terms satisfactory to CMZ BVI. The Board wishes to emphasize that there is no certainty that the conditions can be fulfilled and the Proposed Transaction can proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company. If the Proposed Transaction were to proceed, the Company would make a further announcement as and when appropriate in accordance with the applicable disclosure requirements of Chapter 14 and Chapter 14A of the Listing Rules.

This announcement is made by First Pacific Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the purpose of keeping the shareholders and potential investors of the Company informed of the development relating to the possible transaction relating to China Minzhong Food Corporation Limited (“**CMZ**”) announced by the Company on 31 December 2014.

Reference is made to the Company's announcement dated 31 December 2014 (the “**Announcement**”) relating to a letter of intent from China Minzhong Holdings Limited (“**CMZ BVI**”) to PT Indofood Sukses Makmur Tbk (“**Indofood**”), a 50.1% owned subsidiary of the Group, to purchase 347,000,000 shares of CMZ held by Indofood, representing approximately 52.94% of the issued share capital of CMZ, at S\$1.20 (equivalent to approximately US\$0.86 or HK\$6.73) per share of CMZ (the “**Proposed Transaction**”). Unless the context otherwise requires, capitalized terms used herein shall bear the same meanings as defined in the Announcement.

The Board announces that on 14 October 2015, Indofood and CMZ BVI (the “**Parties**”) entered into a binding memorandum of understanding (“**MOU**”), which sets out the terms upon which the Parties will continue to discuss and work towards finalisation of a definitive sale and purchase agreement (the “**SPA**”) for the Proposed Transaction.

The principal terms of the MOU are as follows :

- (a) upon the signing of the MOU, the Parties shall discuss in good faith the Proposed Transaction with a view to executing the definitive SPA within 12 months from the date of the MOU (or such longer period as may be agreed by the Parties) (the “**Expiry Date**”); and
- (b) the Proposed Transaction shall be subject to the fulfilment of, among other things, the following conditions precedent:
 - (i) the finalisation of CMZ BVI’s funding arrangement on terms satisfactory to CMZ BVI at its sole and absolute discretion, including the completion of the detailed due diligence on CMZ to the satisfaction of the potential financiers;
 - (ii) the execution of the definitive SPA between the Parties;
 - (iii) Indofood’s written undertaking not to (i) tender its remaining 196,252,517 shares in CMZ (“**CMZ Shares**”) (the “**Remaining Stake**”) in acceptance of the mandatory general offer to be made by or on behalf of CMZ BVI for all the issued CMZ Shares (other than those already held by CMZ BVI and parties acting in concert with it) (the “**Offer**”); and (ii) transfer or dispose of the Remaining Stake until after the final closing and completion of the Offer;
 - (iv) the execution of irrevocable written undertakings by the existing management of CMZ (including the Chief Executive Officer and Chief Financial Officer of CMZ) not to (i) tender their respective CMZ Shares in acceptance of the Offer; and (ii) transfer or dispose of their respective CMZ Shares until after the final closing and completion of the Offer;
 - (v) all necessary approvals, consents and permits from applicable governmental and regulatory authorities required (if any) for Indofood, CMZ BVI and/or CMZ (including the Singapore Stock Exchange and Securities Industry Council of Singapore) to complete the Proposed Transaction being obtained; and
 - (vi) no governmental authority or court of competent jurisdiction having enacted, issued, promulgated, enforced or entered any law, rule, regulation, judgment, decree, executive order or award having the effect of making the Proposed Transaction illegal or otherwise prohibiting consummation thereof.

In consideration of Indofood entering into the MOU, CMZ BVI has agreed to pay Indofood no later than 30 December 2015 earnest sums amounting to S\$40,000,000 (equivalent to approximately US\$28,776,978 or HK\$224,460,432), which shall be treated as part of the consideration payable to Indofood for the Proposed Transaction upon the consummation of the transaction.

If, however, CMZ BVI fails to pay the earnest sums on the due date, Indofood shall have the right to terminate the MOU. In addition, if the Parties fail to sign the definitive SPA by the Expiry Date, the MOU shall be terminated. Upon termination, Indofood shall be entitled to forfeit any earnest sums paid by CMZ BVI, and CMZ BVI shall have no right or claim against Indofood for costs, expenses, damages, losses, compensation or otherwise.

The total consideration for the Proposed Transaction, if consummated, would be S\$416.4 million (equivalent to approximately US\$299.6 million or HK\$2,336.6 million). The entire share capital of CMZ BVI is held by Mr. Siek Wei Ting, Executive Director and the Chief Financial Officer of CMZ, on trust for Mr. Lin Guo Rong, Executive Chairman and Chief Executive Officer of CMZ. Therefore, CMZ BVI is a connected person of the Group. The execution of the definitive SPA would, if consummated, constitute a discloseable transaction and a connected transaction for the Company under Chapter 14 and Chapter 14A of the Listing Rules respectively. If the SPA is entered into, the Company will comply with the relevant requirements under Chapter 14 and Chapter 14A of the Listing Rules. Further details relating to the SPA will be announced, if and when it is entered into.

As at the date of this announcement, CMZ is a 82.88% owned subsidiary of Indofood. CMZ is classified as a disposal group held for sale and as a discontinued operation in the Group's audited consolidated financial statements for the year ended 31 December 2014. That classification will be subject to further assessment from time to time in accordance with the applicable accounting standards. In the event of any change in the classification of CMZ, the Company will make a further announcement in that respect.

The MOU states that it is legally binding between the Parties, save that the Proposed Transaction is subject to, and expressed to be conditional on, the fulfilment of certain conditions precedent, including the signing of the definitive SPA and the finalization of CMZ BVI's funding arrangements on terms satisfactory to CMZ BVI. The Board wishes to emphasize that there is no certainty that the conditions can be fulfilled and the Proposed Transaction can proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company. If the Proposed Transaction were to proceed, the Company would make a further announcement as and when appropriate in accordance with the applicable disclosure requirements of Chapter 14 and Chapter 14A of the Listing Rules.

Unless stated otherwise, translations of quoted currency values are made on an approximate basis and at the rate of US\$1.00 = S\$1.39 = HK\$7.8. Percentages and figures expressed 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