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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)

**CONTINUING CONNECTED TRANSACTIONS**

**(1) RENEWAL OF INDOFOOD GROUP'S NOODLES BUSINESS TRANSACTIONS AND NEW ANNUAL CAPS FOR 2017, 2018 AND 2019**

**(2) RENEWAL OF INDOFOOD GROUP'S PLANTATIONS BUSINESS TRANSACTIONS AND NEW ANNUAL CAPS FOR 2017, 2018 AND 2019**

**(3) REVISED ANNUAL CAPS IN RESPECT OF INDOFOOD GROUP'S EXISTING DISTRIBUTION BUSINESS TRANSACTIONS FOR 2016; RENEWAL OF INDOFOOD GROUP'S DISTRIBUTION BUSINESS TRANSACTIONS AND NEW ANNUAL CAPS FOR 2017, 2018 AND 2019**

**(4) RENEWAL OF INDOFOOD GROUP'S INSURANCE POLICIES TRANSACTIONS AND NEW ANNUAL CAPS FOR 2017, 2018 AND 2019**

**(5) RENEWAL OF INDOFOOD GROUP'S FLOUR BUSINESS TRANSACTIONS AND NEW ANNUAL CAPS FOR 2017, 2018 AND 2019**

**(6) RENEWAL OF INDOFOOD GROUP'S BEVERAGES BUSINESS TRANSACTIONS RELATING TO ASSOCIATES OF MR. SALIM AND NEW ANNUAL CAPS FOR 2017, 2018 AND 2019**

**(7) REVISED ANNUAL CAPS IN RESPECT OF INDOFOOD GROUP'S EXISTING DAIRY BUSINESS TRANSACTIONS FOR 2016; RENEWAL OF INDOFOOD GROUP'S DAIRY BUSINESS TRANSACTIONS AND NEW ANNUAL CAPS FOR 2017, 2018 AND 2019**

**(8) RENEWAL OF INDOFOOD GROUP'S BEVERAGES BUSINESS –  
ASAHI TRANSACTIONS AND NEW ANNUAL CAPS FOR 2017, 2018  
AND 2019**

**(9) NEW CONTINUING CONNECTED TRANSACTIONS – CUSTOMER  
RELATIONSHIP MANAGEMENT TRANSACTIONS AND ANNUAL CAPS  
FOR 2017, 2018 AND 2019**

**(10) NEW CONTINUING CONNECTED TRANSACTIONS – BABY  
DIAPERS BUSINESS TRANSACTIONS AND ANNUAL CAPS FOR 2017,  
2018 AND 2019**

**(11) RENEWAL OF REVOLVING LOAN FACILITY TO CONNECTED  
SUBSIDIARIES RELATING TO INDOFOOD GROUP'S PLANTATIONS  
BUSINESS AND NEW ANNUAL CAPS FOR 2017, 2018 AND 2019**

**INTRODUCTION**

Reference is made to the Company's announcements dated 9 December 2013, 9 May 2014, 15 October 2014, 16 October 2015 and 29 July 2016 in relation to certain continuing connected transactions in respect of the Indofood Group's noodles business, plantations business, distribution business, insurance policies, flour business, beverages business relating to associates of Mr. Salim, dairy business, beverages business relating to associates of Asahi Group SEA and the revolving loan facility provided to connected subsidiaries of the Company relating to the Indofood Group's plantations business.

**PURPOSE OF THIS ANNOUNCEMENT**

This announcement contains details of:

- (a) revised Annual Caps for the year ending 31 December 2016 in respect of the previously announced continuing connected transactions relating to the Indofood Group's distribution and dairy businesses;
- (b) a number of new continuing connected transactions (and the relevant agreements to be entered into in relation to them) to be entered into by members of the Indofood Group which will become effective on 1 January 2017, immediately following the expiry, on 31 December 2016, of certain previously announced continuing connected transactions. Those new continuing connected transactions relate to substantially the same matters as the previously announced continuing connected transactions and replace those previously announced continuing connected transactions; and
- (c) a number of new continuing connected transactions (and the relevant agreements to be entered into in relation to them) by members of the Indofood Group which will become effective on 1 January 2017 in relation to the Indofood Group's customer relationship management and its baby diapers business.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE TRANSACTIONS**

The Indofood Group and the Company believe that the continuing connected transactions referred to in this announcement below, which are on normal commercial terms, are beneficial to the Indofood Group and the Company for the continuing expansion of the Indofood Group's business operations, revenue and operational profitability, the maximisation of the production capacities of the distribution network and the increase of worldwide brand awareness of the Indofood Group.

The loan facility under the Revolving Loan Agreement proposed to be entered into by SIMP, a member of the Indofood Group, is a short term, temporary funding provided by SIMP to the borrowers to finance the immediate and urgent working capital requirements of the borrowers and to facilitate the smooth running of their operations. Each of the borrowers is a consolidated subsidiary of SIMP under the control of SIMP. Therefore, SIMP is responsible for and has an interest in the performance of the borrowers. Any disruption on the borrowers' day-to-day operations due to financing shortage will have a direct impact on SIMP.

The terms of the Revolving Loan Agreement, including the principal amount of the loan and the interest rate charged on the loan, were arrived at after arm's length negotiations between SIMP and the borrowers having taken into account the immediate and urgent working capital required for the borrowers' day-to-day operations and SIMP's costs of borrowing in the market. The Indofood Group and the Company believe that the loan facility available under the Revolving Loan Agreement would provide the flexibility for the borrowers to obtain finance at reasonable costs to meet their immediate and urgent working capital requirements as and when the circumstances so require.

## **LISTING RULES IMPLICATIONS**

The following continuing connected transactions and Annual Caps described in this announcement are subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules:

- (a) the previously announced continuing connected transactions relating to the Indofood Group's distribution business and the revised aggregated Annual Caps for 2016;
- (b) the proposed new continuing connected transactions relating to the Indofood Group's noodles business and the proposed aggregated Annual Caps for 2017, 2018 and 2019;
- (c) the proposed new continuing connected transactions relating to the Indofood Group's plantations business and the proposed aggregated Annual Caps for 2017, 2018 and 2019; and
- (d) the proposed new continuing connected transactions relating to the Indofood Group's distribution business and the proposed aggregated Annual Caps for 2017, 2018 and 2019.

The following continuing connected transactions and Annual Caps described in this announcement are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but not the Independent Shareholders' approval requirement:

- (a) the proposed new continuing connected transactions relating to the Indofood Group's insurance policies and the proposed aggregated Annual Caps for 2017, 2018 and 2019;
- (b) the proposed new continuing connected transactions relating to the Indofood Group's flour business and the proposed aggregated Annual Caps for 2017, 2018 and 2019;
- (c) the proposed new continuing connected transactions relating to the Indofood Group's beverages business with associates of Mr. Salim and the proposed aggregated Annual Caps for 2017, 2018 and 2019;
- (d) the previously announced continuing connected transactions relating to the Indofood Group's dairy business and the revised aggregated Annual Caps for 2016;
- (e) the proposed new continuing connected transactions relating to the Indofood Group's dairy business and the proposed aggregated Annual Caps for 2017, 2018 and 2019;
- (f) the proposed new continuing connected transactions relating to the Indofood Group's beverages business with associates of Asahi Group SEA and the proposed aggregated Annual Caps for 2017, 2018 and 2019;
- (g) the proposed new continuing connected transactions relating to the Indofood Group's customer relationship management and the proposed aggregated Annual Caps for 2017, 2018 and 2019;
- (h) the proposed new continuing connected transactions relating to the Indofood Group's baby diapers business and the proposed aggregated Annual Caps for 2017, 2018 and 2019; and
- (i) the proposed loan facility under the Revolving Loan Agreement and the proposed Annual Caps for 2017, 2018 and 2019.

## **GENERAL**

The Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders in respect of the terms of the continuing connected transactions which are subject to the Independent Shareholders' approval requirement as described above and their respective Annual Caps. Somerley Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

A circular containing, among other things, (i) further information on the continuing connected transactions which are subject to the Independent Shareholders' approval requirement as described above and their respective Annual Caps; (ii) the recommendation of the Independent Board Committee in respect of the terms of those transactions and their respective Annual Caps and as to how the Independent Shareholders should vote at the SGM; (iii) the advice of the Independent Financial Adviser in respect of the terms of those transactions and their respective Annual Caps and as to how the Independent Shareholders should vote at the SGM; (iv) the views of the Independent Financial Adviser on the duration of the framework agreement in respect of the IASB-FFI Beverages Transaction; and (v) the notice of the SGM, will be despatched to shareholders of the Company on or before 29 November 2016.

## **INTRODUCTION**

Reference is made to the Company's announcements dated 9 December 2013, 9 May 2014, 15 October 2014, 16 October 2015 and 29 July 2016 in relation to certain continuing connected transactions in respect of the Noodles Business, the Plantations Business, the Distribution Business, the Insurance Policies, the Flour Business, the Beverages Business relating to associates of Mr. Salim, the Dairy Business, the Beverages Business relating to associates of Asahi Group SEA and revolving loan facility provided to connected subsidiaries of the Company relating to the Indofood Group's plantations business.

This announcement contains details of:

- (a) revised Annual Caps for the year ending 31 December 2016 in respect of the previously announced continuing connected transactions relating to the Distribution Business and the Dairy Business;
- (b) a number of new continuing connected transactions (and the relevant agreements to be entered into in relation to them) to be entered into by members of the Indofood Group which will become effective on 1 January 2017, immediately following the expiry, on 31 December 2016, of certain previously announced continuing connected transactions. Those new continuing connected transactions relate to substantially the same matters as the previously announced continuing connected transactions and replace those previously announced continuing connected transactions; and

- (c) a number of new continuing connected transactions (and the relevant agreements to be entered into in relation to them) by members of the Indofood Group which will become effective on 1 January 2017 in relation to the Indofood Group's customer relationship management and the Baby Diapers Business.

**RENEWAL OF INDOFOOD GROUP'S NOODLES BUSINESS TRANSACTIONS AND NEW ANNUAL CAPS FOR 2017, 2018 AND 2019**

The agreements in respect of the existing 2014-2016 Noodles Business Transactions described in the Company's announcements dated 9 December 2013 and 15 October 2014 will expire on 31 December 2016. The Indofood Group will enter into new framework agreements in respect of the transactions numbered (1) to (4) in Table A below relating to the 2017-2019 Noodles Business Transactions on substantially the same terms as those of the existing agreements. Except that no new agreement will be entered into in respect of the transaction numbered (5) in Table A below, the new framework agreements will replace the agreements relating to the existing 2014-2016 Noodles Business Transactions.

The arrangements under the new framework agreements described in Table A below will commence on 1 January 2017 and will have a duration of three years, expiring on 31 December 2019. Subject to compliance with the then relevant requirements of the rules of any stock exchange to which any of the parties to the relevant framework agreement is subject to, including, but not limited to, the Listing Rules or, alternatively, any waivers obtained from strict compliance with such requirements, upon expiration of the initial term or subsequent renewal term, each of the framework agreements will be automatically renewed for a successive period of three years thereafter (or such other period permitted under the Listing Rules), unless terminated earlier by any party to the relevant framework agreement by giving not less than one month's notice to the other party(ies) in accordance with the terms of the relevant framework agreement.

A summary of each of the 2017-2019 Noodles Business Transactions, their respective historical transaction amounts for the years ended 31 December 2014 and 31 December 2015 and for the period from 1 January 2016 to 30 September 2016 and the proposed Annual Caps for 2017, 2018 and 2019 in respect of the new framework agreements is set out in Table A below.

**Table A – 2017-2019 Noodles Business Transactions, proposed Annual Caps and historical transaction amounts for the years ended 31 December 2014 and 31 December 2015 and for the period from 1 January 2016 to 30 September 2016**

Transaction No.	Parties to the agreement/ arrangement		Nature of agreement/arrangement	Actual Transaction Amount (US\$ millions)			Proposed Annual Cap (US\$ millions)		
	Name of entity of the Indofood Group	Name of connected party		For the year ended 31 December 2014	For the year ended 31 December 2015	For the period from 1 January 2016 to 30 September 2016	For the year ending 31 December 2017	For the year ending 31 December 2018	For the year ending 31 December 2019
(1)	Indofood/ICBP	Dufil	Indofood/ICBP: (1) grants an exclusive licence in respect of the “Indomie” trademark in Nigeria and provides technical services in connection with instant noodle manufacturing operations in Nigeria; and  (2) sells and supplies ingredients, noodle seasonings and packaging used for instant noodle products  to Dufil.	29.1	32.8	20.4	48.4	56.2	64.2
(2)	Indofood/ICBP	Pinehill	Indofood/ICBP: (1) grants an exclusive licence in respect of the “Indomie”, “Supermi” and “Pop Mie” trademarks in certain countries in the Middle East;  (2) provides technical services in connection with instant noodle manufacturing operations in certain countries in the Middle East; and  (3) sells and supplies ingredients, noodle seasonings and packaging used for instant noodle products  to Pinehill.	75.9	74.4	53.4	116.3	135.5	157.9
(3)	Indofood/ICBP	SAWAZ Group	Indofood/ICBP: (1) grants a non-exclusive licence in respect of the “Indomie” trademark in certain countries in the Middle East and Africa;  (2) provides technical services in connection with instant noodle manufacturing operations in certain countries in the Middle East and Africa; and  (3) sells and supplies ingredients, noodle seasonings and packaging used for instant noodle products  to SAWAZ Group.	9.8	9.2	10.3	35.8	51.6	68.1
(4)	Indofood and its subsidiaries	Indomobil and its subsidiaries	Indomobil and its subsidiaries sell/rent cars, provide car services and sell spare parts to Indofood and its subsidiaries.	0.8	1.0	0.9	3.3	3.3	3.4
(5)	Indofood and its subsidiaries	SDM	Indofood and its subsidiaries use human resources outsourcing services from SDM.	-	-	-	-	-	-
<b>Aggregated actual transaction amounts/Annual Caps:</b>				<b>115.6</b>	<b>117.4</b>	<b>85.0</b>	<b>203.8</b>	<b>246.6</b>	<b>293.6</b>



Each of the 2017-2019 Noodles Business Transactions referred to in Table A above constitutes a continuing connected transaction for the Company under Rule 14A.31 of the Listing Rules because:

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

The 2017-2019 Noodles Business Transactions are conducted in the ordinary and usual course of business of the Indofood Group and are entered into on an arm's length basis with terms fair and reasonable to the relevant parties. The framework agreements will provide that the pricing/fee chargeable in respect of each of the 2017-2019 Noodles Business Transactions in Table A above will reflect normal commercial terms and will be on arm's length basis and based on normal market conditions. The consideration under the 2017-2019 Noodles Business Transactions is payable in accordance with credit terms to be agreed between the parties, in cash. Details of the pricing policy are set out in the section headed "Pricing Policies and Reasons for and Benefits of Entering into the Transactions" below in this announcement.

The proposed Annual Caps for the 2017-2019 Noodles Business Transactions specified in Table A are estimated transaction values based on projected activity levels between the relevant parties for the relevant periods, taking into account the historical values of the relevant transactions and the need to accommodate expansion of the noodles market in the Middle East and Africa.

#### **RENEWAL OF INDOFOOD GROUP'S PLANTATIONS BUSINESS TRANSACTIONS AND NEW ANNUAL CAPS FOR 2017, 2018 AND 2019**

The agreements in respect of the existing 2014-2016 Plantations Business Transactions described in the Company's announcements dated 9 December 2013, 9 May 2014 and 15 October 2014 will expire on 31 December 2016. The Indofood Group will enter into new framework agreements in respect of the transactions numbered (1) to (15) in Table B below relating to the 2017-2019 Plantations Business Transactions on substantially the same terms as those of the existing agreements. Except that no new agreements will be entered into in respect of the transactions numbered (16) to (20) in Table B below, the new framework agreements will replace the agreements relating to the existing 2014-2016 Plantations Business Transactions.

The arrangements under the new framework agreements described in Table B below will commence on 1 January 2017 and will have a duration of three years, expiring on 31 December 2019. Subject to compliance with the then relevant requirements of the rules of any stock exchange to which any of the parties to the relevant framework agreement is subject to, including, but not limited to, the Listing Rules or, alternatively, any waivers obtained from strict compliance with such requirements, upon expiration of the initial term or subsequent renewal term, each of the framework agreements will be



automatically renewed for a successive period of three years thereafter (or such other period permitted under the Listing Rules), unless terminated earlier by any party to the relevant framework agreement by giving not less than one month's notice to the other party(ies) in accordance with the terms of the relevant framework agreement.

A summary of each of the 2017-2019 Plantations Business Transactions, their respective historical transaction amounts for the years ended 31 December 2014 and 31 December 2015 and for the period from 1 January 2016 to 30 September 2016 and the proposed Annual Caps for 2017, 2018 and 2019 in respect of the new framework agreements is set out in Table B below.

**Table B – 2017-2019 Plantations Business Transactions, proposed Annual Caps and historical transaction amounts for the years ended 31 December 2014 and 31 December 2015 and for the period from 1 January 2016 to 30 September 2016**

Transaction No.	Parties to the agreement/arrangement		Nature of agreement/arrangement	Actual Transaction Amount (US\$ millions)			Proposed Annual Cap (US\$ millions)		
	Name of entity of the Indofood Group	Name of connected party		For the year ended 31 December 2014	For the year ended 31 December 2015	For the period from 1 January 2016 to 30 September 2016	For the year ending 31 December 2017	For the year ending 31 December 2018	For the year ending 31 December 2019
(1)	SIMP	ADS	ADS grants a lease to SIMP for use of factory properties.	0.0	0.0	0.3	1.3	1.3	1.3
(2)	SIMP and its subsidiaries	STP	STP provides pumping services to SIMP and its subsidiaries to load crude palm oil and other derivative products to vessels.	0.4	0.4	0.5	1.2	1.3	1.5
(3)	SIMP and its subsidiaries	RMK	SIMP and its subsidiaries lease heavy equipment and buy building materials; rent office space, trucks and tug boats from RMK; use transportation services from RMK; and purchase road reinforcement services from RMK.	0.6	0.4	0.5	5.6	6.2	6.8
(4)	SIMP and its subsidiaries	IGER Group	SIMP and its subsidiaries provide operational services, sell seedlings, sell prefabricated housing materials, sell fertilizer products, lease office space to IGER Group; and buy palm oil and its derivative products from IGER Group.	71.1	38.8	21.8	109.7	134.6	155.7
(5)	Indofood and its subsidiaries	IKU	IKU provides consulting services for project development to Indofood and its subsidiaries.	-	-	-	0.2	0.2	0.2
(6)	Indofood and its subsidiaries	LPI	Indofood and its subsidiaries buy sugar from LPI.	-	-	-	0.2	0.2	0.2
(7)	SIMP	FFI	SIMP sells deep fat frying oil to FFI.	3.9	3.5	2.9	5.2	5.8	6.4
(8)	Indofood and its subsidiaries	Indomobil and its subsidiaries	Indomobil and its subsidiaries sell/rent cars, provide car services and sell spare parts to Indofood and its subsidiaries.	5.4	1.7	1.3	8.4	6.5	7.4
(9)	SIMP	Shanghai Resources	SIMP sells palm oil and its derivative products to Shanghai Resources.	16.8	14.6	13.1	35.0	44.7	56.3
(10)	SIMP	NIC	SIMP sells margarine to NIC.	0.3	0.2	0.4	0.7	0.8	1.0

Transaction No.	Parties to the agreement/ arrangement		Nature of agreement/arrangement	Actual Transaction Amount (US\$ millions)			Proposed Annual Cap (US\$ millions)		
	Name of entity of the Indofood Group	Name of connected party		For the year ended 31 December 2014	For the year ended 31 December 2015	For the period from 1 January 2016 to 30 September 2016	For the year ending 31 December 2017	For the year ending 31 December 2018	For the year ending 31 December 2019
(11)	Indofood	LPI	Indofood grants an exclusive license of its "Indosugar" trademark related to sugar to LPI.	0.5	0.4	0.4	0.9	1.0	1.0
(12)	IAK	LPI	IAK sells packaging materials to LPI.	0.1	0.4	0.2	0.8	0.9	1.0
(13)	SIMP and its subsidiaries	CSNJ	SIMP and its subsidiaries rent infrastructure from CSNJ and vice-versa.	0.0	0.0	0.0	0.4	0.4	0.4
(14)	SIMP and its subsidiaries	Indomaret	SIMP and its subsidiaries sell finished goods to Indomaret.	34.8	31.9	30.2	54.7	71.7	94.0
(15)	SIMP and its subsidiaries	Indogrosir	SIMP and its subsidiaries sell finished goods to Indogrosir.	15.9	12.6	17.5	31.4	41.3	54.2
(16)	SIMP and its subsidiaries	RAP	RAP provides services to SIMP and its subsidiaries in connection with prefabricated housing.	1.3	0.3	-	-	-	-
(17)	PT Indoagri Inti Plantation	CSNJ	PT Indoagri Inti Plantation rents infrastructure from CSNJ.	-	0.0	0.0	-	-	-
(18)	PT Samudera Sejahtera Pratama	MSA	MSA leases tug boats from PT Samudera Sejahtera Pratama.	-	0.1	-	-	-	-
(19)	SIMP and its subsidiaries	MSA	SIMP and its subsidiaries sell seedlings to MSA to be used for its operations, and leases trucks to MSA.	-	-	-	-	-	-
(20)	Bogasari	LPI	Bogasari provides management services to LPI.	-	-	-	-	-	-
<b>Aggregated actual transaction amounts / Annual Caps:</b>				<b>151.1</b>	<b>105.3</b>	<b>89.1</b>	<b>255.7</b>	<b>316.9</b>	<b>387.4</b>

Each of the 2017-2019 Plantations Business Transactions referred to in Table B above constitutes a continuing connected transaction for the Company under Rule 14A.31 of the Listing Rules because:

- (i) Mr. Salim is the Chairman and a substantial shareholder of the Company and President Director and CEO of Indofood;
- (ii) except as referred to in (iii) below, each of the counterparties is an associate of Mr. Salim; and
- (iii) each of and the members of the IGER Group, including LPI and MSA, is a connected person of the Company by virtue of Rule 14A.16, because each is a non-wholly owned subsidiary of Indofood (and, therefore, of the Company) and Mr. Salim and companies controlled by him control 10% or more of the voting power of each of them.

The 2017-2019 Plantations Business Transactions are conducted in the ordinary and usual course of business of the Indofood Group and are entered into on an arm's length basis with terms fair and reasonable to the relevant parties. The framework agreements will provide that the pricing/fee chargeable in respect of each of the 2017-2019 Plantations Business Transactions in Table B above will be determined from time to time based on the written mutual agreement between the parties, with due regard to prevailing market conditions. The consideration under the 2017-2019 Plantations Business Transactions is payable in accordance with credit terms to be agreed between the parties, in cash. Details of the pricing policy are set out in the section headed "Pricing Policies and Reasons for and Benefits of Entering into the Transactions" below in this announcement.

The proposed Annual Caps for the 2017-2019 Plantations Business Transactions specified in Table B are estimated transaction values based on projected activity levels between the relevant parties for the relevant periods, taking into account the historical values of the relevant transactions and the continuing development of raw land into planted areas. The projected activity level is based on an estimate of the requirements of each plantation company in respect of its respective planting activities and operations.

**REVISED ANNUAL CAPS IN RESPECT OF INDOFOOD GROUP'S EXISTING DISTRIBUTION BUSINESS TRANSACTIONS FOR 2016; RENEWAL OF INDOFOOD GROUP'S DISTRIBUTION BUSINESS TRANSACTIONS AND NEW ANNUAL CAPS FOR 2017, 2018 AND 2019**

As stated in the Company's announcements dated 9 December 2013, 9 May 2014 and 15 October 2014, the previously announced Annual Caps for the existing 2014-2016 Distribution Business Transactions are estimated transaction values based on projected activity levels between the relevant parties for the relevant periods, taking into account the historical values of the relevant transactions. Due to the expansion of the Indofood Group's distribution business, the Annual Caps in respect of certain existing Distribution Business transactions for 2016 are revised accordingly. As a result, the aggregated Annual Caps in respect of the existing Distribution Business transactions for 2016 increase from US\$230.0 million to US\$247.8 million.

The agreements in respect of the existing 2014-2016 Distribution Business Transactions numbered (1) to (5) and (7) to (11) in Table C below will expire on 31 December 2016. The Indofood Group will enter into new framework agreements in respect of transactions numbered (1) to (3), (5) and (7) to (11) in Table C below on substantially the same terms as those of the existing agreements. No new agreement will be entered into in respect of the transaction numbered (4) in Table C below.

In relation to the transaction numbered (6) in Table C below, being the IASB-FFI Beverages Transaction, IASB took over the 5-year (1 August 2012 to 31 July 2017) agreement in respect of this transaction in September 2013, subsequent to IASB and AIB completing the acquisition of PT Prima Cahaya Indobeverage (formerly known as PT Pepsi-Cola Indobeverage). Therefore, this agreement has become a continuing connected transaction of the Indofood Group since September 2013. The Indofood Group will enter into a new framework agreement in respect of the IASB-FFI Beverages Transaction, which will take effect on 1 August 2017 and have a term of five years, expiring on 31 July 2022. The IASB-FFI Beverages Transaction has from September 2013 to 31 December 2016 been classified as and accounted for by the Company as a Distribution Business transaction. However, as this transaction relates to the sale of drinking products by IASB to FFI, the Company will reclassify it as a Beverages Business transaction relating to associates of Mr. Salim starting from 1 January 2017. Therefore, this transaction will not constitute a 2017-2019 Distribution Business Transaction, and its Annual Caps for 2017, 2018 and 2019 will not be counted towards the aggregated Annual Caps for the 2017-2019 Distribution Business Transactions. The reclassification will not result in any change to the compliance requirements under Chapter 14A of the Listing Rules applicable to the 2017-2019 Distribution Business Transaction or the 2017-2019 Beverages Business – Salim Transactions. Please refer to the section headed “Renewal of Indofood Group’s Beverages Business Transactions relating to associates of Mr. Salim and New Annual Caps for 2017, 2018 and 2019” below in this announcement for further details of this transaction.

Save as described above, the new framework agreements relating to the 2017-2019 Distribution Business Transactions will replace the agreements relating to the existing 2014-2016 Distribution Business Transactions described in the Company’s announcements dated 9 December 2013, 9 May 2014 and 15 October 2014.

In addition, new framework agreements will be entered into in respect of transactions numbered (12) to (15) in Table C below, which will constitute new continuing connected transactions for the Company relating to the Distribution Business.

The arrangements under the new framework agreements described in Table C below will commence on 1 January 2017 and will have a duration of three years, expiring on 31 December 2019. Subject to compliance with the then relevant requirements of the rules of any stock exchange to which any of the parties to the relevant framework agreement is subject to, including, but not limited to, the Listing Rules or, alternatively, any waivers obtained from strict compliance with such requirements, upon expiration of the initial term or subsequent renewal term, each of the framework agreements will be automatically renewed for a successive period of three years thereafter (or such other period permitted under the Listing Rules), unless terminated earlier by any party to the relevant framework agreement by giving not less than one month’s notice to the other party(ies) in accordance with the terms of the relevant framework agreement.

A summary of each of the revised Annual Caps in respect of the existing Distribution Business transactions for 2016, the 2017-2019 Distribution Business Transactions, their respective historical transaction amounts for the years ended 31 December 2014 and 31 December 2015 and for the period from 1 January 2016 to 30 September 2016 (where applicable) and the proposed Annual Caps for 2017, 2018 and 2019 in respect of the new framework agreements is set out in Table C below.

**Table C – Revised Annual Caps in respect of existing Distribution Business transactions for 2016, 2017-2019 Distribution Business Transactions, proposed Annual Caps and historical transaction amounts for the years ended 31 December 2014 and 31 December 2015 and for the period from 1 January 2016 to 30 September 2016**

Transaction No.	Parties to the agreement/ arrangement		Nature of agreement/ arrangement	Actual Transaction Amount (US\$ millions)			Existing Annual Cap for the year ending 31 December 2016 as set out in the Company's announcement dated 15 October 2014 (US\$ millions)	Revised Annual Cap for the year ending 31 December 2016 (US\$ millions)	Proposed Annual Cap (US\$ millions)		
	Name of entity of the Indofood Group	Name of connected party		For the year ended 31 December 2014	For the year ended 31 December 2015	For the period from 1 January 2016 to 30 September 2016			For the year ending 31 December 2017	For the year ending 31 December 2018	For the year ending 31 December 2019
(1)	IAP	LS	IAP distributes various consumer products to LS.	15.8	14.5	14.0	22.1	22.1 (not revised)	32.5	40.2	48.9
(2)	IAP	FFI	IAP sells chili and tomato sauces, seasonings and dairy products to FFI.	1.9	1.7	1.2	2.7	2.7 (not revised)	2.5	2.9	3.2
(3)	PDU	LS	PDU distributes various consumer products to LS.	1.4	1.6	1.4	2.2	2.2 (not revised)	2.5	2.9	3.2
(4)	Indofood and its subsidiaries	IKU	IKU provides consulting services to Indofood and its subsidiaries.	-	-	-	0.3	0.3 (not revised)	-	-	-
(5)	Indofood and its subsidiaries	Indomobil and its subsidiaries	Indomobil and its subsidiaries sell/rent cars, provide car services and sell spare parts to Indofood and its subsidiaries.	6.0	5.0	3.1	10.9	10.9 (not revised)	7.2	7.9	8.8
(6)	IASB	FFI	IASB sells drinking products to FFI.	8.6	8.2	5.6	11.1	11.1 (not revised)	-	-	-
(7)	Indofood and its subsidiaries	SDM	Indofood and its subsidiaries use human resources outsourcing services from SDM.	3.9	4.7	4.8	5.3	6.5	8.0	8.9	9.9
(8)	IAP	Indomaret	IAP sells finished goods to Indomaret.	101.0	97.1	98.3	133.3	141.0	218.9	267.5	324.7
(9)	IAP	Indogrosir	IAP sells finished goods to Indogrosir.	21.4	23.9	25.1	26.1	35.0	49.9	57.4	65.9
(10)	PDU	Indomaret	PDU sells finished goods to Indomaret.	9.6	8.2	8.0	13.3	13.3 (not revised)	16.2	17.9	19.9

Transaction No.	Parties to the agreement/ arrangement		Nature of agreement/ arrangement	Actual Transaction Amount (US\$ millions)			Existing Annual Cap for the year ending 31 December 2016 as set out in the Company's announcement dated 15 October 2014 (US\$ millions)	Revised Annual Cap for the year ending 31 December 2016 (US\$ millions)	Proposed Annual Cap (US\$ millions)		
	Name of entity of the Indofood Group	Name of connected party		For the year ended 31 December 2014	For the year ended 31 December 2015	For the period from 1 January 2016 to 30 September 2016			For the year ending 31 December 2017	For the year ending 31 December 2018	For the year ending 31 December 2019
(11)	PDU	Indogrosir	PDU sells finished goods to Indogrosir.	2.3	2.2	2.0	2.7	2.7 (not revised)	4.2	4.7	5.2
(12)	IAP	RMK	RMK rents space from IAP.	-	-	-	-	-	0.2	0.2	0.2
(13)	IAP	Indomaret	Indomaret rents space from IAP.	-	-	-	-	-	0.4	0.4	0.4
(14)	IAP	LS	LS rents space from IAP.	-	-	-	-	-	0.4	0.4	0.4
(15)	IAP	PT Indolife Pensiontama	IAP's pension plan assets are managed by PT Indolife Pensiontama.	-	-	-	-	-	0.7	0.7	0.7
Aggregated actual transaction amounts/Annual Caps:				171.9	167.1	163.5	230.0	247.8	343.6	412.0	491.4

Each of the 2017-2019 Distribution Business Transactions referred to in Table C above constitutes a continuing connected transaction for the Company under Rule 14A.31 of the Listing Rules because:

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

The existing Distribution Business transactions for 2016 and the 2017-2019 Distribution Business Transactions are conducted in the ordinary and usual course of business of the Indofood Group and are entered into on an arm's length basis with terms fair and reasonable to the relevant parties. The framework agreements will provide that the pricing/fee chargeable in respect of each of the 2017-2019 Distribution Business Transactions in Table C above will be determined from time to time based on the written mutual agreement between the parties, with due regard to prevailing market conditions. The consideration under the existing Distribution Business transactions for 2016 and the 2017-2019 Distribution Business Transactions is payable in accordance with credit terms to be agreed between the parties, in cash. Details of the pricing policy are set out in the section headed "Pricing Policies and Reasons for and Benefits of Entering into the Transactions" below in this announcement.

The proposed Annual Caps for the 2017-2019 Distribution Business Transactions specified in Table C are estimated transaction values based on the projected activity levels between the relevant parties for the financial years ending 31 December 2017, 2018 and 2019, taking into account the historical values of the relevant transactions (where applicable).

## RENEWAL OF INDOFOOD GROUP'S INSURANCE POLICIES TRANSACTIONS AND NEW ANNUAL CAPS FOR 2017, 2018 AND 2019

The agreements in respect of the existing 2014-2016 Insurance Policies Transactions described in the Company's announcements dated 9 December 2013 and 15 October 2014 will expire on 31 December 2016. The Indofood Group will enter into the new framework agreements listed in Table D below relating to the 2017-2019 Insurance Policies Transactions on substantially the same terms as those of the existing agreements. The new framework agreements will replace the agreements relating to the existing 2014-2016 Insurance Policies Transactions.

The arrangements under the new framework agreements described in Table D below will commence on 1 January 2017 and will have a duration of three years, expiring on 31 December 2019. Subject to compliance with the then relevant requirements of the rules of any stock exchange to which any of the parties to the relevant framework agreement is subject to, including, but not limited to, the Listing Rules or, alternatively, any waivers obtained from strict compliance with such requirements, upon expiration of the initial term or subsequent renewal term, each of the framework agreements will be automatically renewed for a successive period of three years thereafter (or such other period permitted under the Listing Rules), unless terminated earlier by any party to the relevant framework agreement by giving not less than one month's notice to the other party(ies) in accordance with the terms of the relevant framework agreement.

A summary of each of the 2017-2019 Insurance Policies Transactions, their respective historical transaction amounts for the years ended 31 December 2014 and 31 December 2015 and for the period from 1 January 2016 to 30 September 2016 and the proposed Annual Caps for 2017, 2018 and 2019 in respect of the new framework agreements is set out in Table D below.

**Table D – 2017-2019 Insurance Policies Transactions, proposed Annual Caps and historical transaction amounts for the years ended 31 December 2014 and 31 December 2015 and for the period from 1 January 2016 to 30 September 2016**

Transaction No.	Parties to the agreement/ arrangement		Nature of agreement/arrangement	Actual Transaction Amount (US\$ millions)			Proposed Annual Cap (US\$ millions)		
	Name of entity of the Indofood Group	Name of connected party		For the year ended 31 December 2014	For the year ended 31 December 2015	For the period from 1 January 2016 to 30 September 2016	For the year ending 31 December 2017	For the year ending 31 December 2018	For the year ending 31 December 2019
(1)	Indofood and its subsidiaries	ACA	ACA provides vehicle, property and other assets insurance services to Indofood and its subsidiaries.	4.5	6.9	4.8	13.5	16.1	18.3
(2)	Indofood and its subsidiaries	CAR	CAR provides insurance services for personal accident and health to Indofood and its subsidiaries.	3.7	3.9	3.1	9.5	12.2	15.2
(3)	Indofood and its subsidiaries	IBU	IBU provides insurance services to Indofood and its subsidiaries.	0.7	0.7	0.3	1.8	2.4	3.0
<b>Aggregated actual transaction amounts/Annual Caps:</b>				<b>8.9</b>	<b>11.5</b>	<b>8.2</b>	<b>24.8</b>	<b>30.7</b>	<b>36.5</b>



Each of the 2017-2019 Insurance Policies Transactions referred to in Table D above constitutes a continuing connected transaction for the Company under Rule 14A.31 of the Listing Rules because:

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

The 2017-2019 Insurance Policies Transactions are conducted in the ordinary and usual course of business of the Indofood Group and are entered into on an arm's length basis with terms fair and reasonable to the relevant parties. The framework agreements will provide that the pricing/fee chargeable in respect of each of the 2017-2019 Insurance Policies Transactions in Table D above will be determined from time to time based on the written mutual agreement between the parties, with due regard to prevailing market conditions. The consideration under the 2017-2019 Insurance Policies Transactions is payable in accordance with credit terms to be agreed between the parties, in cash. Details of the pricing policy are set out in the section headed "Pricing Policies and Reasons for and Benefits of Entering into the Transactions" below in this announcement.

The proposed Annual Caps for the 2017-2019 Insurance Policies Transactions specified in Table D are determined based on the Indofood Group's anticipated requirements for insurance cover in respect of the relevant period, having regard to the level of business operations and business activities for the Indofood Group anticipated by the Indofood Group's management.

#### **RENEWAL OF INDOFOOD GROUP'S FLOUR BUSINESS TRANSACTIONS AND NEW ANNUAL CAPS FOR 2017, 2018 AND 2019**

The agreements in respect of the existing 2014-2016 Flour Business Transactions numbered (1) to (8) in Table E below and described in the Company's announcements dated 9 December 2013, 9 May 2014 and 15 October 2014, will expire on 31 December 2016. The Indofood Group will enter into new framework agreements in respect of transactions numbered (1) to (8) in Table E below relating to those transactions on substantially the same terms as those of the existing agreements. The new framework agreements will replace the agreements relating to the existing 2014-2016 Flour Business Transactions.

In addition, a new framework agreement will be entered into in respect of the transaction numbered (9) in Table E below, which will constitute a new continuing connected transaction for the Company relating to the Flour Business.

The arrangements under the new framework agreements described in Table E below relating to the 2017-2019 Flour Business Transactions will commence on 1 January 2017 and will have a duration of three years, expiring on 31 December 2019. Subject to

compliance with the then relevant requirements of the rules of any stock exchange to which any of the parties to the relevant framework agreement is subject to, including, but not limited to, the Listing Rules or, alternatively, any waivers obtained from strict compliance with such requirements, upon expiration of the initial term or subsequent renewal term, each of the framework agreements will be automatically renewed for a successive period of three years thereafter (or such other period permitted under the Listing Rules), unless terminated earlier by any party to the relevant framework agreement by giving not less than one month's notice to the other party(ies) in accordance with the terms of the relevant framework agreement.

A summary of each of the 2017-2019 Flour Business Transactions, their respective historical transaction amounts for the years ended 31 December 2014 and 31 December 2015 and for the period from 1 January 2016 to 30 September 2016 (where applicable) and the proposed Annual Caps for 2017, 2018 and 2019 in respect of the new framework agreements is set out in Table E below.

**Table E – 2017-2019 Flour Business Transactions, proposed Annual Caps and historical transaction amounts for the years ended 31 December 2014 and 31 December 2015 and for the period from 1 January 2016 to 30 September 2016**

Transaction No.	Parties to the agreement/ arrangement		Nature of agreement/arrangement	Actual Transaction Amount (US\$ millions)			Proposed Annual Cap (US\$ millions)		
	Name of entity of the Indofood Group	Name of connected party		For the year ended 31 December 2014	For the year ended 31 December 2015	For the period from 1 January 2016 to 30 September 2016	For the year ending 31 December 2017	For the year ending 31 December 2018	For the year ending 31 December 2019
(1)	Bogasari	NIC	Bogasari sells flour to NIC.	21.9	16.0	14.8	40.5	48.6	58.2
(2)	Bogasari	FFI	Bogasari sells flour and spaghetti to FFI.	0.9	1.0	0.8	2.3	2.7	3.2
(3)	Bogasari	Tarumatex	Bogasari rents warehouse from Tarumatex.	0.1	0.1	-	0.5	0.6	0.8
(4)	Indofood and its subsidiaries	IKU	IKU provides consulting services to Indofood and its subsidiaries.	0.1	0.0	0.1	0.8	0.9	1.1
(5)	Indofood and its subsidiaries	Indomobil and its subsidiaries	Indomobil and its subsidiaries sell/rent cars, provide car services and sell spare parts to Indofood and its subsidiaries.	0.7	1.3	0.3	3.2	3.9	4.8
(6)	Indofood and its subsidiaries	SDM	Indofood and its subsidiaries use human resources outsourcing services from SDM.	2.1	2.7	2.0	6.3	7.8	9.8
(7)	Indofood and its subsidiaries	PTM	Indofood and its subsidiaries use human resources outsourcing services from PTM.	1.7	1.6	1.4	5.9	7.1	8.4
(8)	Bogasari	Indogrosir	Bogasari sells finished goods to Indogrosir.	6.0	6.5	5.0	15.6	18.8	22.5
(9)	Bogasari	Shanghai Resources	Bogasari sells pasta products to Shanghai Resources.	-	-	-	0.5	0.6	0.6
<b>Aggregated actual transaction amounts/Annual Caps:</b>				<b>33.5</b>	<b>29.2</b>	<b>24.4</b>	<b>75.6</b>	<b>91.0</b>	<b>109.4</b>

Each of the 2017-2019 Flour Business Transactions referred to in Table E above constitutes a continuing connected transaction for the Company under Rule 14A.31 of the Listing Rules because:

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

The 2017-2019 Flour Business Transactions are conducted in the ordinary and usual course of business of the Indofood Group and are entered into on an arm's length basis with terms fair and reasonable to the relevant parties. The framework agreements will provide that the pricing/fee chargeable in respect of each of the 2017-2019 Flour Business Transactions in Table E above will be determined from time to time based on the written mutual agreement between the parties, with due regard to prevailing market conditions. The consideration under the 2017-2019 Flour Business Transactions is payable in accordance with credit terms to be agreed between the parties, in cash. Details of the pricing policy are set out in the section headed "Pricing Policies and Reasons for and Benefits of Entering into the Transactions" below in this announcement.

The proposed Annual Caps for the 2017-2019 Flour Business Transactions specified in Table E are estimated transaction values and are based on projected activity levels between the parties for each of the financial years ending 31 December 2017, 2018 and 2019, taking into account the historical values of the relevant transactions (where applicable) and the anticipated expansion of the flour market.

#### **RENEWAL OF INDOFOOD GROUP'S BEVERAGES BUSINESS TRANSACTIONS RELATING TO ASSOCIATES OF MR. SALIM AND NEW ANNUAL CAPS FOR 2017, 2018 AND 2019**

The agreements in respect of the existing 2014-2016 Beverages Business – Salim Transactions numbered (1) to (5) in Table F below and described in the Company's announcements dated 9 December 2013, 9 May 2014, 15 October 2014 and 16 October 2015 will expire on 31 December 2016. The Indofood Group will enter into new framework agreements in respect of transactions numbered (1) to (5) in Table F below relating to the 2017-2019 Beverages Business – Salim Transactions on substantially the same terms as those of the existing agreements. The new framework agreements will replace the agreements relating to the existing 2014-2016 Beverages Business – Salim Transactions. The arrangements under the new framework agreements in respect of transactions numbered (1) to (5) described in Table F below will commence on 1 January 2017 and will have a duration of three years, expiring on 31 December 2019.

In addition, as mentioned above in this announcement, the Company will reclassify the transaction numbered (6) in Table F below, being the IASB-FFI Beverages Transaction, which has previously been classified as a Distribution Business transaction, as a Beverages Business transaction relating to associates of Mr. Salim starting from 1 January 2017. The existing framework agreement in respect of the IASB-FFI Beverages Transaction will expire on 31 July 2017. The Indofood Group will enter into a new framework agreement in respect of the transaction on substantially the same terms as those of the existing agreement. The new framework agreement will replace the existing agreement relating to the transaction. The arrangements under the new framework agreement in respect of the IASB-FFI Beverages Transaction will commence on 1 August 2017 and will have a duration of five years, expiring on 31 July 2022. The Independent Financial Adviser has been engaged to opine on why the agreement is required to cover a period of more than three years and to confirm whether it is normal business practice for this type of agreements to be of a duration of five years. The views of the Independent Financial Adviser will be disclosed in the circular to be despatched to the Company's shareholders on or before 29 November 2016. The Company has set the Annual Caps in respect of the IASB-FFI Beverages Transaction for 2017, 2018 and 2019 and will re-comply with the relevant requirements under Chapter 14A of the Listing Rules applicable to the IASB-FFI Beverages Transaction before 31 December 2019.

Subject to compliance with the then relevant requirements of the rules of any stock exchange to which any of the parties to the relevant framework agreement is subject to, including, but not limited to, the Listing Rules or, alternatively, any waivers obtained from strict compliance with such requirements, upon expiration of the initial term or subsequent renewal term, each of the framework agreements in respect of transactions numbered (1) to (5) in Table F below will be automatically renewed for a successive period of three years thereafter (or such other period permitted under the Listing Rules), and the framework agreement in respect of the transaction numbered (6) in Table F below will be automatically renewed for a successive period of five years thereafter (or such other period permitted under the Listing Rules), unless terminated earlier by any party to the relevant framework agreement by giving not less than one month's notice to the other party(ies) in accordance with the terms of the relevant framework agreement.

A summary of each of the 2017-2019 Beverages Business – Salim Transactions, their respective historical transaction amounts for the years ended 31 December 2014 and 31 December 2015 and for the period from 1 January 2016 to 30 September 2016 (where applicable) and the proposed Annual Caps for 2017, 2018 and 2019 in respect of the new framework agreements is set out in Table F below.

**Table F – 2017-2019 Beverages Business – Salim Transactions, proposed Annual Caps and historical transaction amounts for the years ended 31 December 2014 and 31 December 2015 and for the period from 1 January 2016 to 30 September 2016**

Transaction No.	Parties to the agreement/ arrangement		Nature of agreement/arrangement	Actual Transaction Amount (US\$ millions)			Proposed Annual Cap (US\$ millions)		
	Name of entity of the Indofood Group	Name of connected party		For the year ended 31 December 2014	For the year ended 31 December 2015	For the period from 1 January 2016 to 30 September 2016	For the year ending 31 December 2017	For the year ending 31 December 2018	For the year ending 31 December 2019
(1)	IASB	SDM	IASB uses human resources outsourcing services from SDM.	0.1	0.1	0.1	0.3	0.5	0.6
(2)	IASB	Indomaret	IASB sells finished goods to Indomaret.	3.6	6.4	1.6	3.0	3.8	5.0
(3)	IASB	Indogrosir	IASB sells finished goods to Indogrosir.	0.6	0.8	0.2	0.6	0.8	1.1
(4)	IASB	Indomobil and its subsidiaries	Indomobil and its subsidiaries sell/rent cars, provide car services and sell spare parts to IASB.	0.4	0.5	0.3	0.8	0.8	0.8
(5)	IASB	LS	IASB sells drinking products to LS.	0.0	0.0	0.0	0.6	0.8	1.1
(6)	IASB and its subsidiaries	FFI	IASB and its subsidiaries sell drinking products to FFI.	8.6*	8.2*	5.6*	12.5	12.9	13.4
<b>Aggregated actual transaction amounts/Annual Caps:</b>				<b>13.3</b>	<b>16.0</b>	<b>7.8</b>	<b>17.8</b>	<b>19.6</b>	<b>22.0</b>

\* *Note:* This transaction has been classified as a Distribution Business transaction for the years ended 31 December 2014 and 31 December 2015 and for the year ending 31 December 2016 and will be reclassified as a Beverages Business transaction relating to associates of Mr. Salim starting from 1 January 2017.

Each of the 2017-2019 Beverages Business – Salim Transactions referred to in Table F above constitutes a continuing connected transaction for the Company under Rule 14A.31 of the Listing Rules because:

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

The 2017-2019 Beverages Business – Salim Transactions are conducted in the ordinary and usual course of business of the Indofood Group and are entered into on an arm’s length basis with terms fair and reasonable to the relevant parties. The framework agreements will provide that the pricing/fee chargeable in respect of each of the 2017-2019 Beverages Business – Salim Transactions in Table F above will be determined from time to time based on the written mutual agreement between the parties, with due regard to prevailing market conditions. The consideration under the 2017-2019 Beverages Business – Salim Transactions is payable in accordance with credit terms to be agreed between the parties, in cash. Details of the pricing policy are set out in the section headed “Pricing Policies and Reasons for and Benefits of Entering into the Transactions” below in this announcement.

The proposed Annual Caps for the 2017-2019 Beverages Business – Salim Transactions specified in Table F are estimates of transaction values and are based on projected activity levels between the parties for each of the financial years ending 31 December 2017, 2018 and 2019, taking into account the historical values of the relevant transactions (where applicable) and the need to accommodate the expansion of the beverages market.

**REVISED ANNUAL CAPS IN RESPECT OF INDOFOOD GROUP’S EXISTING DAIRY BUSINESS TRANSACTIONS FOR 2016; RENEWAL OF INDOFOOD GROUP’S DAIRY BUSINESS TRANSACTIONS AND NEW ANNUAL CAPS FOR 2017, 2018 AND 2019**

As stated in the Company’s announcements dated 15 October 2014 and 29 July 2016, the previously announced Annual Caps for the existing 2014-2016 Dairy Business Transactions are estimated transaction values based on projected activity levels between the relevant parties for the relevant periods, taking into account the historical values of the relevant transactions. Due to the expansion of the Indofood Group’s dairy business, the Annual Caps in respect of certain existing Dairy Business transactions for 2016 are revised accordingly. As a result, the aggregated Annual Caps in respect of the existing Dairy Business transactions for 2016 increase from US\$6.8 million to US\$8.3 million.

The agreements in respect of the existing 2014-2016 Dairy Business Transactions will expire on 31 December 2016. The Indofood Group will enter into the new framework agreements in respect of transactions numbered (2) to (8) in Table G below on substantially the same terms as those of the existing agreements. Except that no new agreement will be entered into in respect of the transaction numbered (1) in Table G below, the new framework agreements relating to the 2017-2019 Dairy Business Transactions will replace the agreements relating to the existing 2014-2016 Dairy Business Transactions described in the Company’s announcements dated 15 October 2014 and 29 July 2016.

The arrangements under the new framework agreements described in Table G below will commence on 1 January 2017 and will have a duration of three years, expiring on 31 December 2019. Subject to compliance with the then relevant requirements of the rules of any stock exchange to which any of the parties to the relevant framework agreement is subject to, including, but not limited to, the Listing Rules or, alternatively, any waivers obtained from strict compliance with such requirements, upon expiration of the initial term or subsequent renewal term, each of the framework agreements will be automatically renewed for a successive period of three years thereafter (or such other period permitted under the Listing Rules), unless terminated earlier by any party to the relevant framework agreement by giving not less than one month’s notice to the other party(ies) in accordance with the terms of the relevant framework agreement.



A summary of each of the revised Annual Caps in respect of the existing Dairy Business transactions for 2016, the 2017-2019 Dairy Business Transactions, their respective historical transaction amounts for the years ended 31 December 2014 and 31 December 2015 and for the period from 1 January 2016 to 30 September 2016 and the proposed Annual Caps for 2017, 2018 and 2019 in respect of the new framework agreements is set out in Table G below.

**Table G – Revised Annual Caps in respect of existing Dairy Business transactions for 2016, 2017-2019 Dairy Business Transactions, proposed Annual Caps and historical transaction amounts for the years ended 31 December 2014 and 31 December 2015 and for the period from 1 January 2016 to 30 September 2016**

Transaction No.	Parties to the agreement/ arrangement		Nature of agreement/ arrangement	Actual Transaction Amount (US\$ millions)			Existing Annual Cap for the year ending 31 December 2016 as set out in the Company's announcement dated 15 October 2014 (US\$ millions)	Revised Annual Cap for the year ending 31 December 2016 (US\$ millions)	Proposed Annual Cap (US\$ millions)		
	Name of entity of the Indofood Group	Name of connected party		For the year ended 31 December 2014	For the year ended 31 December 2015	For the period from 1 January 2016 to 30 September 2016			For the year ending 31 December 2017	For the year ending 31 December 2018	For the year ending 31 December 2019
(1)	Indofood and its subsidiaries	IKU	IKU provides consulting services to Indofood and its subsidiaries.	-	-	-	0.3	0.3 (not revised)	-	-	-
(2)	Indofood and its subsidiaries	Indomobil and its subsidiaries	Indomobil and its subsidiaries sell/rent cars, provide car services and sell spare parts to Indofood and its subsidiaries.	0.1	0.1	0.0	1.3	1.3 (not revised)	5.1	7.1	9.9
(3)	Indofood and its subsidiaries	SDM	Indofood and its subsidiaries use human resources outsourcing services from SDM.	0.2	0.3	0.5	0.5	0.8	1.2	1.5	1.8
(4)	PT Indolakto	Indomaret	PT Indolakto sells finished goods to Indomaret.	1.3	1.3	2.3	2.3	3.5	5.9	7.1	8.4
(5)	PT Indolakto	Indogrosir	PT Indolakto sells finished goods to Indogrosir.	0.0	0.0	0.0	0.3	0.3 (not revised)	0.6	0.8	0.9
(6)	PT Indolakto	LS	PT Indolakto sells finished goods to LS.	0.4	0.5	0.4	0.7	0.7 (not revised)	1.8	2.1	2.6
(7)	PT Indolakto	NIC	PT Indolakto sells finished goods to NIC.	0.1	0.2	0.7	1.0	1.0 (not revised)	2.4	2.9	3.5
(8)	PT Indolakto	FFI	PT Indolakto sells finished goods to FFI.	0.1	0.0	0.1	0.4	0.4 (not revised)	0.6	0.8	0.9
Aggregated actual transaction amounts / Annual Caps:				2.2	2.4	4.0	6.8	8.3	17.6	22.3	28.0



Each of the 2017-2019 Dairy Business Transactions referred to in Table G above constitutes a continuing connected transaction for the Company under Rule 14A.31 of the Listing Rules because:

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

The existing Dairy Business transactions for 2016 and 2017-2019 Dairy Business Transactions are conducted in the ordinary and usual course of business of the Indofood Group and are entered into on an arm's length basis with terms fair and reasonable to the relevant parties. The framework agreements will provide that the pricing/fee chargeable in respect of each of the 2017-2019 Dairy Business Transactions in Table G above will be determined from time to time based on the written mutual agreement between the parties, with due regard to prevailing market conditions. The consideration under the existing Dairy Business transactions for 2016 and the 2017-2019 Dairy Business Transactions is payable in accordance with credit terms to be agreed between the parties, in cash. Details of the pricing policy are set out in the section headed "Pricing Policies and Reasons for and Benefits of Entering into the Transactions" below in this announcement.

The proposed Annual Caps for the 2017-2019 Dairy Business Transactions specified in Table G are estimated transaction values based on the projected activity levels between the relevant parties for the financial years ending 31 December 2017, 2018 and 2019, taking into account the historical values of the relevant transactions and the need to accommodate the expansion of the dairy market.

#### **RENEWAL OF INDOFOOD GROUP'S BEVERAGES BUSINESS – ASAHI TRANSACTIONS AND NEW ANNUAL CAPS FOR 2017, 2018 AND 2019**

The agreements in respect of the existing 2014-2016 Beverages Business – Asahi Transactions described in the Company's announcements dated 9 December 2013 and 15 October 2014 will expire on 31 December 2016. The Indofood Group will enter into the new framework agreements listed in Table H below relating to the 2017-2019 Beverages Business – Asahi Transactions on substantially the same terms as those of the existing agreements. The new framework agreements will replace the agreements relating to the existing 2014-2016 Beverages Business – Asahi Transactions.

The arrangements under the new framework agreements described in Table H below will commence on 1 January 2017 and will have a duration of three years, expiring on 31 December 2019. Subject to compliance with the then relevant requirements of the rules of any stock exchange to which any of the parties to the relevant framework agreement is subject to, including, but not limited to, the Listing Rules or, alternatively, any waivers obtained from strict compliance with such requirements, upon expiration of the initial term or subsequent renewal term, each of the framework agreements will be automatically renewed for a successive period of three years thereafter (or such other period permitted under the Listing Rules), unless terminated earlier by any party to the relevant framework agreement by giving not less than one month's notice to the other party(ies) in accordance with the terms of the relevant framework agreement.

A summary of each of the 2017-2019 Beverages Business – Asahi Transactions, their respective historical transaction amounts for the years ended 31 December 2014 and 31 December 2015 and for the period from 1 January 2016 to 30 September 2016 and the proposed Annual Caps for 2017, 2018 and 2019 in respect of the new framework agreements is set out in Table H below.

**Table H – 2017-2019 Beverages Business – Asahi Transactions, proposed Annual Caps and historical transaction amounts for the years ended 31 December 2014 and 31 December 2015 and for the period from 1 January 2016 to 30 September 2016**

Transaction No.	Parties to the agreement/ arrangement		Nature of agreement/arrangement	Actual Transaction Amount (US\$ millions)			Proposed Annual Cap (US\$ millions)		
	Name of entity of the Indofood Group	Name of connected party		For the year ended 31 December 2014	For the year ended 31 December 2015	For the period from 1 January 2016 to 30 September 2016	For the year ending 31 December 2017	For the year ending 31 December 2018	For the year ending 31 December 2019
(1)	IASB	Asahi Breweries	Secondment agreement to assign certain Japanese employees of Asahi Breweries who have certain skills and expertise to conduct beverages business.	0.2	0.2	0.2	0.5	0.6	0.6
(2)	Indofood	AIB	AIB rents office space from Indofood.	0.1	0.2	0.1	0.3	0.5	0.5
(3)	SRC	AIB and its subsidiaries	SRC sells carton box packaging to AIB and its subsidiaries for product packaging.	0.2	1.5	1.2	3.6	4.1	4.1
(4)	ICBP	AIB and its subsidiaries	ICBP sells lids to AIB and its subsidiaries for product packaging.	0.3	0.0	0.3	0.6	0.9	0.9
(5)	IASB and its subsidiaries	AIB and its subsidiaries	AIB and its subsidiaries sell drinking products to IASB and its subsidiaries.	119.3	102.5	76.9	312.8	391.2	516.0
(6)	IASB and its subsidiaries	PT Calpis Indonesia	PT Calpis Indonesia pays supply fee to IASB and its subsidiaries.	0.1	0.4	0.2	1.2	1.4	1.5
<b>Aggregated actual transaction amounts/Annual Caps:</b>				<b>120.2</b>	<b>104.8</b>	<b>78.9</b>	<b>319.0</b>	<b>398.7</b>	<b>523.6</b>

Each of the 2017-2019 Beverages Business – Asahi Transactions referred to in Table H above constitutes a continuing connected transaction for the Company under Rule 14A.31 of the Listing Rules because:

- (i) the Indofood Group has a 51% interest in IASB;
- (ii) the remaining 49% shareholder of IASB, Asahi Group SEA, and the associates (as defined in the Listing Rules) of Asahi Group SEA, are connected persons of the Company; and
- (iii) Asahi Breweries, AIB and PT Calpis Indonesia are associates of Asahi Group SEA (all are subsidiaries of the same holding company, Asahi Group Holdings, Ltd.). Asahi Breweries, AIB and PT Calpis Indonesia are, therefore, connected persons of the Company.

The 2017-2019 Beverages Business – Asahi Transactions are conducted in the ordinary and usual course of business of the Indofood Group and are entered into on an arm's length basis with terms fair and reasonable to the relevant parties. The framework agreements will provide that the pricing/fee chargeable in respect of each of the 2017-2019 Beverages Business – Asahi Transactions in Table H above will be determined from time to time based on the written mutual agreement between the parties, with due regard to prevailing market conditions. The consideration under the 2017-2019 Beverages Business – Asahi Transactions is payable in accordance with credit terms to be agreed between the parties, in cash. Details of the pricing policy are set out in the section headed "Pricing Policies and Reasons for and Benefits of Entering into the Transactions" below in this announcement.

The proposed Annual Caps for the 2017-2019 Beverages Business – Asahi Transactions specified in Table H are estimates of transaction values and are based on projected activity levels between the parties for each of the financial years ending 31 December 2017, 2018 and 2019, taking into account the historical values of the relevant transactions and the need to accommodate the expansion of the beverages market.

#### **NEW CONTINUING CONNECTED TRANSACTIONS – CUSTOMER RELATIONSHIP MANAGEMENT TRANSACTIONS AND ANNUAL CAPS FOR 2017, 2018 AND 2019**

The existing agreement in respect of the transaction numbered (1) in Table I below, which constitutes a fully exempt continuing connected transaction for the Company, will expire on 31 December 2016. The Indofood Group will enter into a new framework agreement on substantially the same terms as those of the existing agreement. The new framework agreement will replace the existing agreement in respect of the transaction numbered (1) in Table I below.

In addition, new framework agreements will be entered into in respect of the transactions numbered (2) and (3) in Table I below, which will constitute new continuing connected transactions for the Company, relating to the customer relationship management of the Indofood Group.

The arrangements under the new framework agreements described in Table I below will commence on 1 January 2017 and will have a duration of three years, expiring on 31 December 2019. Subject to compliance with the then relevant requirements of the rules of any stock exchange to which any of the parties to the relevant framework agreement is subject to, including, but not limited to, the Listing Rules or, alternatively, any waivers obtained from strict compliance with such requirements, upon expiration of the initial term or subsequent renewal term, each of the framework agreements will be automatically renewed for a successive period of three years thereafter (or such other period permitted under the Listing Rules), unless terminated earlier by any party to the relevant framework agreement by giving not less than one month's notice to the other party(ies) in accordance with the terms of the relevant framework agreement.

A summary of each of the 2017-2019 Customer Relationship Management Transactions, their respective historical transaction amounts for the period from 1 January 2016 to 30 September 2016 (where applicable) and the proposed Annual Caps for 2017, 2018 and 2019 in respect of the framework agreements is set out in Table I below.

**Table I – 2017-2019 Customer Relationship Management Transactions, proposed Annual Caps and historical transaction amounts for the period from 1 January 2016 to 30 September 2016**

Transaction No.	Parties to the agreement/ arrangement		Nature of agreement/arrangement	Actual Transaction Amount for the period from 1 January 2016 to 30 September 2016 (US\$ millions)	Proposed Annual Cap (US\$ millions)		
	Name of entity of the Indofood Group	Name of connected party			For the year ending 31 December 2017	For the year ending 31 December 2018	For the year ending 31 December 2019
(1)	ICBP	PT Transcosmos Indonesia	PT Transcosmos Indonesia provides call center services to ICBP.	0.3	1.2	1.5	2.0
(2)	ICBP	PT Data Arts Xperience	ICBP uses digital media buying services from PT Data Arts Xperience.	-	0.6	0.8	0.9
(3)	ICBP	PopBox Asia	Branding on PopBox Asia's lockers.	-	1.1	1.8	3.5
<b>Aggregated actual transaction amounts/Annual Caps:</b>				<b>0.3</b>	<b>2.9</b>	<b>4.1</b>	<b>6.4</b>

Each of the 2017-2019 Customer Relationship Management Transactions referred to in Table I above constitutes a continuing connected transaction for the Company under Rule 14A.31 of the Listing Rules because:

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

The 2017-2019 Customer Relationship Management Transactions are conducted in the ordinary and usual course of business of the Indofood Group and are entered into on an arm's length basis with terms fair and reasonable to the relevant parties. The framework agreements will provide that the pricing/fee chargeable in respect of each of the 2017-2019 Customer Relationship Management Transactions in Table I above will be determined from time to time based on the written mutual agreement between the parties, with due regard to prevailing market conditions. The consideration under the 2017-2019 Customer Relationship Management Transactions is payable in accordance with credit terms to be agreed between the parties, in cash. Details of the pricing policy are set out in the section headed "Pricing Policies and Reasons for and Benefits of Entering into the Transactions" below in this announcement.

The proposed Annual Caps for the 2017-2019 Customer Relationship Management Transactions specified in Table I are estimates of transaction values and are based on projected activity levels between the parties for each of the financial years ending 31 December 2017, 2018 and 2019, taking into account the historical values of the relevant transactions (where applicable) and ICBP's need for call center and digital media buying services and branding services.

#### **NEW CONTINUING CONNECTED TRANSACTIONS – BABY DIAPERS BUSINESS TRANSACTIONS AND ANNUAL CAPS FOR 2017, 2018 AND 2019**

The Indofood Group will enter into the framework agreements in respect of the transactions listed in Table J below relating to the 2017-2019 Baby Diapers Business Transactions, which constitute continuing connected transactions for the Company.

The arrangements under the framework agreements described in Table J below will commence on 1 January 2017 and will have a duration of three years, expiring on 31 December 2019. Subject to compliance with the then relevant requirements of the rules of any stock exchange to which any of the parties to the relevant framework agreement is subject to, including, but not limited to, the Listing Rules or, alternatively, any waivers obtained from strict compliance with such requirements, upon expiration of the initial term or subsequent renewal term, each of the framework agreements will be automatically renewed for a successive period of three years thereafter (or such other period permitted under the Listing Rules), unless terminated earlier by any party to the relevant framework agreement by giving not less than one month's notice to the other party(ies) in accordance with the terms of the relevant framework agreement.

A summary of each of the 2017-2019 Baby Diapers Business Transactions and the proposed Annual Caps for 2017, 2018 and 2019 in respect of the framework agreements is set out in Table J below.

**Table J – 2017-2019 Baby Diapers Business Transactions and proposed Annual Caps**

Transaction No.	Parties to the agreement/ arrangement		Nature of agreement/arrangement	Proposed Annual Cap (US\$ millions)		
	Name of entity of the Indofood Group	Name of connected party		For the year ending 31 December 2017	For the year ending 31 December 2018	For the year ending 31 December 2019
(1)	Indo Oji	LS	Indo Oji sells finished goods to LS.	5.7	11.0	17.6
(2)	Indo Oji	Indomobil and its subsidiaries	Indomobil and its subsidiaries sell/rent cars, provide car services and sell spare parts to Indo Oji.	0.8	1.1	1.7
(3)	Indo Oji	Indomaret	Indo Oji sells finished goods to Indomaret.	35.0	68.1	108.5
(4)	Indo Oji	Indogrosir	Indo Oji sells finished goods to Indogrosir.	2.9	5.4	8.6
(5)	Indo Oji	SDM	Indo Oji uses human resources outsourcing services from SDM.	0.2	0.2	0.2
<b>Aggregated Annual Caps:</b>				<b>44.6</b>	<b>85.8</b>	<b>136.6</b>

Each of the 2017-2019 Baby Diapers Business Transactions referred to in Table J above constitutes a continuing connected transaction for the Company under Rule 14A.31 of the Listing Rules because:

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

The 2017-2019 Baby Diapers Business Transactions are conducted in the ordinary and usual course of business of the Indofood Group and are entered into on an arm's length basis with terms fair and reasonable to the relevant parties. The framework agreements will provide that the pricing/fee chargeable in respect of each of the 2017-2019 Baby Diapers Business Transactions in Table J above will be determined from time to time based on the written mutual agreement between the parties, with due regard to prevailing market conditions. The consideration under the 2017-2019 Baby Diapers Business Transactions is payable in accordance with credit terms to be agreed between the parties, in cash. Details of the pricing policy are set out in the section headed "Pricing Policies and Reasons for and Benefits of Entering into the Transactions" below in this announcement.

The proposed Annual Caps for the 2017-2019 Baby Diapers Business Transactions specified in Table J are estimates of transaction values and are based on projected activity levels between the parties for each of the financial years ending 31 December 2017, 2018 and 2019, taking into account the need to accommodate the expansion of the Baby Diapers Business. The 2017-2019 Baby Diapers Business Transactions are new continuing connected transactions for the Company and no historical transaction amounts are available.

## **RENEWAL OF REVOLVING LOAN FACILITY TO CONNECTED SUBSIDIARIES RELATING TO INDOFOOD GROUP'S PLANTATIONS BUSINESS AND NEW ANNUAL CAPS FOR 2017, 2018 AND 2019**

The revolving loan agreement dated 1 August 2016 in relation to the provision of revolving loan facility by SIMP to the Company's connected subsidiaries relating to the Indofood Group's plantations business, as described in the Company's announcement dated 29 July 2016, will expire on 31 December 2016.

SIMP and the Borrowers propose to enter into a new revolving loan agreement on substantially the same terms as those of the existing agreement. Pursuant to the Revolving Loan Agreement, SIMP will agree to provide a revolving loan facility of up to US\$40 million to the Borrowers, which are the Company's connected subsidiaries relating to the Indofood Group's plantations business.

The principal terms of the Revolving Loan Agreement are set out as follows:

Parties:	SIMP as the lender  MSA, ASP, SBN, MCP, MPI, GS and LPI, all being members of the IGER Group, as the borrowers
Principal amount:	Up to US\$40 million, which may be borrowed jointly or severally by the Borrowers. Any repaid principal amount of the facility will refresh the facility amount available for drawing by any Borrower within the term in accordance with the terms of the Revolving Loan Agreement.
Term:	The period from 1 January 2017 to 31 December 2019. Subject to compliance with the then relevant requirements of the rules of any stock exchange to which any of the parties to the Revolving Loan Agreement is subject to, including, but not limited to, the Listing Rules or, alternatively, any waivers obtained from strict compliance with such requirements, upon expiration of the initial term or subsequent renewal term, the Revolving Loan Agreement will be automatically renewed for a successive period of three years thereafter (or such other period permitted under the Listing Rules), unless terminated earlier by the lender by giving not less than one month's notice to the borrowers, or by all the borrowers by giving not less than one month's notice to the lender, in accordance with the terms of the Revolving Loan Agreement.



Interest Rate: The loan under the Revolving Loan Agreement shall bear interest at a rate not lower than either the average borrowing cost of SIMP or the interest rate incurred by SIMP for the specific borrowings by SIMP to fund the revolving loan, which shall be informed by SIMP to the relevant Borrower before the relevant loan is drawn. The interest shall be payable on a monthly basis until the relevant loan has been fully repaid.

Repayment: The relevant Borrower shall repay the principal loan amount and any accrued but unpaid interest thereon in full within six months from the drawdown date of the relevant loan, provided that any outstanding principal amount and any accrued but unpaid interest due under the Revolving Loan Agreement shall be fully repaid on the expiry of the term of the Revolving Loan Agreement.

The entering into of the Revolving Loan Agreement 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 Borrowers is a connected subsidiary of the Company by virtue of Rule 14A.16 of the Listing Rules, because each is a non-wholly owned subsidiary of Indofood (and, therefore, of the Company) and Mr. Salim and companies controlled by him control 10% or more of the voting power of each of them.

The Annual Cap in respect of the loan facility under the Revolving Loan Agreement for each of the financial years ending 31 December 2017, 2018 and 2019 is US\$40 million, which was determined by reference to the maximum aggregate amount of the loan facility contemplated under the Revolving Loan Agreement.

## **PRICING POLICIES AND REASONS FOR AND BENEFITS OF ENTERING INTO THE TRANSACTIONS**

The consideration under the continuing connected transactions referred to in Table A to Table J above 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 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 (as far as the Indofood Group is concerned) than those prevailing in the market for the relevant goods and/or services of the same type and quality and those offered to or by independent third parties.

- (1) In relation to the transactions involving sales of goods or services by Indofood Group:
  - (a) the Indofood Group compares the selling prices with those of similar products sold to independent third parties in similar quantities and the service fees for similar services charged to independent third parties to ensure that the prices and service fees are no less favourable (as far as the Indofood Group is concerned) than those offered to independent third parties. The Indofood Group considers at least two comparable transactions with independent third parties when determining whether the price for a product or service is the market price. In addition, the Indofood Group conducts market price research by monitoring the historical price trend in the market and the Indofood Group's historical selling price to date, gathering information on the supply and demand conditions in the market and comparing the quotations from other suppliers of similar products and services. The Indofood Group reviews and updates the market price on a regular basis;
  - (b) for products manufactured with specific specifications and operational services provided with specific scope in respect of which there are no comparable products or services in the market, the prices are determined by reference to estimates of Indofood Group's costs of production plus a fair and reasonable profit margin with reference to the general range of profit margins in the industry as agreed between the parties, which are subject to periodic review and are consistent with the historical prices for such products or services offered to the connected parties; and
  - (c) for license or services fees charged based on a certain percentage of the net sales of the connected parties, the percentage is compared to the percentage charged to independent third parties and the general range of percentage charged in the industry. The terms are subject to periodic review to ensure that they are no less favourable (as far as the Indofood Group is concerned) than those offered to independent third parties.
- (2) In relation to the transactions involving purchases of goods or services by the Indofood Group, the Indofood Group conducts 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 at least two 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.

For the products or services from the sole manufacturer or sole distributor or sole service provider in respect of which substitutes are not available and there are no comparable products or services in the market, the prices are determined by reference to the price and cost analysis conducted by the Indofood Group to estimate the suppliers' costs of production with normal commercial margin. When conducting a price and cost analysis, the Indofood Group:

- (a) monitors the historical price trend in the market, the Indofood Group's historical purchase price to date, the budgeted price and the current market price and their causes of variances;
  - (b) gathers detailed information on production cost components and the suppliers' value added chains, especially for major materials;
  - (c) gathers information on the supply and demand conditions in the market; and
  - (d) compares the quotation from each sole manufacturer or sole distributor or sole service provider to its other customers and the Indofood Group's historical purchase price to date.
- (3) In relation to the transactions involving leasing of real properties, the rents and terms are determined with reference to independent quotations from third party real property agency firms and the market terms of similar real properties in the same region for the same period. Alternatively, the price should be based on valuation reports on the relevant properties provided by independent valuers.

In order to ensure that the Group conforms with the above pricing policies from time to time and that the continuing connected transactions are conducted on terms no less favourable than terms available to independent parties, the Group supervises the continuing connected transactions in accordance with the Group's internal control procedures. The relevant business unit personnel conduct regular checks to review and assess whether the continuing connected transactions are conducted in accordance with the terms of the respective agreements and also regularly update the market price for the purpose of considering if the price charged for a specific transaction is fair and reasonable and in accordance with the above pricing policies. In addition, the Company's external auditors and the Audit and Risk Management Committee conduct annual reviews on the pricing and the Annual Caps of the Group's continuing connected transactions pursuant to requirements under the Listing Rules.

The Indofood Group and the Company believe that the continuing connected transactions referred to in this announcement above, which are on normal commercial terms, are beneficial to the Indofood Group and the Company for the continuing expansion of the Indofood Group's business operations, revenue and operational profitability, the maximisation of the production capacities of the distribution network and the increase of worldwide brand awareness of the Indofood Group.

The loan facility under the Revolving Loan Agreement is a short term, temporary funding provided by SIMP to the Borrowers to finance the immediate and urgent working capital requirements of the Borrowers and to facilitate the smooth running of their operations. Each of the Borrowers is a consolidated subsidiary of SIMP under the control of SIMP. Therefore, SIMP is responsible for and has an interest in the performance of the Borrowers. Any disruption on the Borrowers' day-to-day operations due to financing shortage will have a direct impact on SIMP.

The terms of the Revolving Loan Agreement, including the principal amount of the loan and the interest rate charged on the loan, were arrived at after arm's length negotiations between SIMP and the Borrowers having taken into account the immediate and urgent working capital required for the Borrowers' day-to-day operations and SIMP's costs of borrowing in the market. The Indofood Group and the Company believe that the loan facility available under the Revolving Loan Agreement would provide the flexibility for the Borrowers to obtain finance at reasonable costs to meet their immediate and urgent working capital requirements as and when the circumstances so require.

## **LISTING RULES IMPLICATIONS**

### **Transactions subject to the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules**

When the revised Annual Caps in respect of the existing Distribution Business transactions for 2016 are aggregated, one or more of the applicable percentage ratios exceeds 5%. Therefore, the existing Distribution Business transactions for 2016 and the revised aggregated Annual Caps for 2016 are subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

When the Annual Caps in respect of each of the 2017-2019 Noodles Business Transactions, the 2017-2019 Plantations Business Transactions and the 2017-2019 Distribution Business Transactions for each of 2017, 2018 and 2019 are aggregated, one or more of the applicable percentage ratios exceeds 5%. Therefore, each of those transactions and their respective aggregated Annual Caps for each of 2017, 2018 and 2019 are subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

### **Transactions not subject to the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules**

When the revised Annual Caps in respect of the existing Dairy Business transactions for 2016 are aggregated, one or more of the applicable percentage ratios exceeds 0.1% but none of the percentage ratios exceeds 5%. Therefore, the existing Dairy Business transactions for 2016 and the revised aggregated Annual Caps for 2016 are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but not the Independent Shareholders' approval requirement.

When the Annual Caps in respect of each of the 2017-2019 Insurance Policies Transactions, the 2017-2019 Flour Business Transactions, the 2017-2019 Beverages Business – Salim Transactions, the 2017-2019 Dairy Business Transactions, the 2017-2019 Customer Relationship Management Transactions and the 2017-2019 Baby Diapers Business Transactions for each of 2017, 2018 and 2019 are aggregated, one or more of the applicable percentage ratios exceeds 0.1% but none of the percentage ratios exceeds 5%. Therefore, each of those transactions and their respective aggregated Annual Caps for each of 2017, 2018 and 2019 are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but not the Independent Shareholders' approval requirement.

One or more of the percentage ratios for the loan facility under the Revolving Loan Agreement exceeds 0.1% but none of the percentage ratios exceeds 5%. Accordingly, the loan facility under the Revolving Loan Agreement and the Annual Caps in respect thereof for 2017, 2018 and 2019 are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but not the Independent Shareholders' approval requirement.

The 2017-2019 Beverages Business – Asahi Transactions are transactions with persons connected only at the subsidiary level of the Company on normal commercial terms. The Board has approved the 2017-2019 Beverages Business – Asahi Transactions, and the Directors (including the independent non-executive Directors) consider that the terms of the 2017-2019 Beverages Business – Asahi Transactions, including the proposed Annual Caps, are fair and reasonable and that the entering into of the 2017-2019 Beverages Business – Asahi Transactions are on normal commercial terms and in the interests of the Company and its shareholders as a whole. Therefore, the 2017-2019 Beverages Business – Asahi Transactions and the aggregated Annual Caps for each of 2017, 2018 and 2019 are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but not the Independent Shareholders' approval requirement.

## **DIRECTORS' VIEWS**

The Directors (including the independent non-executive Directors) are of the view that terms of the existing Dairy Business transactions for 2016, the 2017-2019 Insurance Policies Transactions, the 2017-2019 Flour Business Transactions, the 2017-2019 Beverages Business – Salim Transactions, the 2017-2019 Dairy Business Transactions, the 2017-2019 Beverages Business – Asahi Transactions, the 2017-2019 Customer Relationship Management Transactions, the 2017-2019 Baby Diapers Business Transactions and the loan facility under the Revolving Loan Agreement, including their respective Annual Caps, are fair and reasonable, and the entering into of those transactions are on normal commercial terms, in the ordinary and usual course of business of the Indofood Group and in the interests of the Company and its shareholders as a whole.

The Directors (excluding the independent non-executive Directors whose view will be given after taking into account the advice from the Independent Financial Adviser) are of the view that terms of the existing Distribution Business transactions for 2016, the 2017-2019 Noodles Business Transactions, the 2017-2019 Plantations Business Transactions and the 2017-2019 Distribution Business Transactions, including their respective Annual Caps, are fair and reasonable, and the entering into of those transactions are on normal commercial terms, in the ordinary and usual course of business of the Indofood Group and in the interests of the Company and its shareholders as a whole.

The Company confirms that Mr. Salim, who has a material interest in the existing Distribution Business transactions for 2016, the existing Dairy Business transactions for 2016, the 2017-2019 Noodles Business Transactions, the 2017-2019 Plantations Business Transactions, the 2017-2019 Distribution Business Transactions, the 2017-2019 Insurance Policies Transactions, the 2017-2019 Flour Business Transactions, the 2017-2019 Beverages Business – Salim Transactions, the 2017-2019 Dairy Business Transactions, the 2017-2019 Customer Relationship Management Transactions, the 2017-2019 Baby Diapers Business Transactions and the loan facility under the Revolving Loan Agreement, has abstained from voting at the relevant Board meeting in respect of those transactions. In addition, the Company confirms that Mr. Benny Santoso, a non-executive Director, the President Commissioner of NIC and the Commissioner of FFI, is deemed to have a material interest in the existing Distribution Business transactions for 2016, the 2017-2019 Plantations Business Transactions, the 2017-2019 Distribution Business Transactions, the 2017-2019 Flour Business Transactions, the 2017-2019 Beverages Business – Salim Transactions and the 2017-2019 Dairy Business Transactions, and has abstained from voting at the relevant Board meeting in respect of those transactions. The Company confirms that 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**

In respect of the counterparties to the 2017-2019 Noodles Business Transactions referred to in Table A above:

- (i) Each of Dufil, Pinehill and the SAWAZ Group, being counterparties to the 2017-2019 Noodles Business Transactions, are engaged in the manufacturing of instant noodles; in the case of Dufil, in Nigeria; in the case of Pinehill, in the Middle East; and in the case of SAWAZ Group, in the Middle East and Africa;
- (ii) the SAWAZ Group is a joint venture group of companies between the Salim Group and its partner in the Middle East and Africa, and is used as an investment or holding company in the joint venture companies established/to be established by the SAWAZ Group and the local partners in the respective countries;
- (iii) 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; and
- (iv) SDM is a human resources management service company that has experience in handling industrial relation and manpower cases.

In respect of the counterparties to the 2017-2019 Plantations Business Transactions referred to in Table B above:

- (i) ADS, STP and RMK are 100% owned by companies controlled by Mr. Salim. ADS is the owner of a piece of land in Pluit, Indonesia, which is leased to SIMP as its factory premises. STP is engaged in pumping services. RMK provides various services, including the lease of heavy equipment, the sale of building materials, office space, trucks and tug boats rental, transportation services and road reinforcement services, in accordance with the requirements of its counterparties;
- (ii) the IGER Group is comprised of IGER, LPI, MCP, MSA, SBN, ASP, GS and MPI, which are joint venture plantation companies between SIMP and the Salim Group;
- (iii) IKU is engaged in the business of consultancy and engineering in Indonesia. IKU is considered one of the most reputable consultant companies which provides services in relation to engineering and project management in Indonesia. IKU is 100% owned by companies controlled by Mr. Salim;



- (iv) LPI is an Indonesian incorporated limited liability company in the business of plantation development in Indonesia. It currently owns approximately 28,500 hectares of plantation land located in South Sumatra and Central Java, of which approximately 13,800 hectares is cultivated with sugar cane, and a sugar cane production factory;
- (v) 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 540 restaurant outlets;
- (vi) Shanghai Resources is a trading company wholly-owned by Mr. Salim and companies controlled by him. It has trading experience and a consumer network in the People's Republic of China, particularly in respect of the trading of margarine and shortening;
- (vii) NIC is owned as to 40% by companies controlled by Mr. Salim. It is the biggest reputable modern bakery in Indonesia with ten factories throughout Indonesia;
- (viii) CSNJ is engaged in the business of transportation and trading in Indonesia;
- (ix) RAP is engaged in construction services and technical engineering services;
- (x) 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;
- (xi) the principal business of Indogrosir is wholesaling of customer goods to modern and traditional retailers and end users;
- (xii) MSA is a limited liability company incorporated in Indonesia which owns approximately 13,873 hectares of plantation land, located in South Sumatra, Indonesia;
- (xiii) MCP is a holding company which invests in plantation companies;
- (xiv) SBN is a limited liability company incorporated in Indonesia which owns approximately 8,946 hectares of plantation land located in South Sumatra, Indonesia;
- (xv) ASP is a limited liability company incorporated in Indonesia which owns approximately 16,500 hectares of plantation land, located in Central Kalimantan, Indonesia;

- (xvi) MPI is a limited liability company incorporated in Indonesia which owns approximately 15,865 hectares of plantation land, located in East Kalimantan, Indonesia;
- (xvii) GS is a limited liability company incorporated in Indonesia which owns approximately 10,545 hectares of plantation land located in East Kalimantan, Indonesia; and
- (xviii) please see above for information on Indomobil.

In respect of the counterparties to the existing Distribution Business transactions for 2016 and the 2017-2019 Distribution Business Transactions referred to in Table C above:

- (i) LS is engaged in the business of operating supermarkets in certain major cities in Indonesia;
- (ii) PT Indolife Pensiontama is engaged in life insurance and pension funds businesses and has 97 branches in Indonesia; and
- (iii) please see above for information on SDM, FFI, IKU, Indomobil, Indomaret, Indogrosir and RMK.

In respect of the counterparties to the 2017-2019 Insurance Policies Transactions referred to in Table D above:

- (i) ACA is engaged in the business of providing insurance services in Indonesia. ACA is considered as one of the big five insurance companies in Indonesia and has 42 branch offices and 23 representative offices;
- (ii) CAR is engaged in the business of providing insurance services in Indonesia. CAR is a leading life and health insurance company in Indonesia, with more than 82 sales offices and 53 service offices; and
- (iii) IBU is engaged in the business of providing insurance services in Indonesia. IBU is considered one of the leading insurance brokers in Indonesia.

In respect of the counterparties to the 2017-2019 Flour Business Transactions referred to in Table E above:

- (i) Tarumatex is a textile manufacturer which produces fabrics, mostly used for clothes;
- (ii) PTM is a human resources management service company that specializes in building maintenance system including hygiene care service, parks and general service; and

(iii) please see above for information on NIC, FFI, IKU, Indomobil, SDM, Indogrosir and Shanghai Resources.

In respect of the counterparties to the 2017-2019 Beverages Business – Salim Transactions referred to in Table F above, please see above for information on SDM, Indomaret, Indogrosir, Indomobil, LS and FFI.

In respect of the counterparties to the existing Dairy Business transactions for 2016 and the 2017-2019 Dairy Business Transactions referred to in Table G above, please refer to above for information on IKU, Indomobil, SDM, Indomaret, Indogrosir, LS, NIC and FFI.

In respect of the counterparties to the 2017-2019 Beverages Business – Asahi Transactions referred to in Table H above:

- (i) Asahi Breweries, a company controlled by Asahi Group Holdings, Ltd., is a leading brewery and soft drink company based in Tokyo, Japan;
- (ii) AIB is a 49:51 joint venture between ICBP (a subsidiary of Indofood) and a wholly owned subsidiary of Asahi Group Holdings, Ltd. AIB is, therefore, an indirect subsidiary of Asahi Group Holdings, Ltd. AIB's principal activity is the manufacturer of non-alcoholic beverage products in Indonesia; and
- (iii) PT Calpis Indonesia is engaged in production of carbonated and non-carbonated soft drinks made from milk and lactobacilli.

In respect of the counterparties to the 2017-2019 Customer Relationship Management Transactions referred to in Table I above:

- (i) PT Transcosmos Indonesia is engaged in the business of customer call centre management;
- (ii) PT Data Arts Xperience is engaged in digital marketing; and
- (iii) PopBox Asia is engaged in the provision and management of automated lockers for sending, receiving and returning parcels conveniently.

In respect of the counterparties to the 2017-2019 Baby Diapers Business Transactions referred to in Table J above, please refer to above for information on LS, Indomobil, Indomaret, Indogrosir and SDM.

In respect of the counterparties to the Revolving Loan Agreement, please refer to above for information on MSA, ASP, SBN, MCP, MPI, GS and LPI.

## **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 ICBP and agribusiness subsidiaries SIMP and PT PP London Sumatra Indonesia Tbk are also listed in Indonesia. A subsidiary, Indofood Agri Resources Ltd. is 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, snack foods, food seasonings, nutrition and special foods, and beverages), Bogasari (wheat flour and pasta), Agribusinesses (oil palm, rubber, sugar cane, cocoa and tea plantations, cooking oils, margarine and shortenings) and Distribution. 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.

IAK and SRC are the operating subsidiaries of Indofood for the Indofood Group's packaging business.

IAP and PDU are the operating subsidiaries of Indofood for the Indofood Group's Distribution Business.

IASB is an operating subsidiary of Indofood for the production of non-alcoholic beverages.

Bogasari is a division of Indofood for the production of flour and pasta.

PT Indolakto is the operating subsidiary of Indofood for the Dairy Business and one of the leading producers of dairy products in Indonesia.

## **GENERAL**

The Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders in respect of the terms of the existing Distribution Business transactions for 2016 and their revised Annual Caps for 2016, the 2017-2019 Noodles Business Transactions, the 2017-2019 Plantations Business Transactions and the 2017-2019 Distribution Business Transactions and their respective Annual Caps. The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this respect.

A circular containing, among other things, (i) further information on the existing Distribution Business transactions for 2016 and their revised Annual Caps for 2016, the 2017-2019 Noodles Business Transactions, the 2017-2019 Plantations Business Transactions and the 2017-2019 Distribution Business Transactions and their respective Annual Caps; (ii) the recommendation of the Independent Board Committee in respect of the terms of the existing Distribution Business transactions for 2016 and their revised Annual Caps for 2016, the 2017-2019 Noodles Business Transactions, the 2017-2019 Plantations Business Transactions and the 2017-2019 Distribution Business Transactions and their respective Annual Caps and as to how the Independent Shareholders should vote at the SGM; (iii) the advice of the Independent Financial Adviser in respect of the terms of the existing Distribution Business transactions for 2016 and their revised Annual Caps for 2016, the 2017-2019 Noodles Business Transactions, the 2017-2019 Plantations Business Transactions and the 2017-2019 Distribution Business Transactions and their respective Annual Caps and as to how the Independent Shareholders should vote at the SGM; (iv) the views of the Independent Financial Adviser on the duration of the framework agreement in respect of the IASB-FFI Beverages Transaction; and (v) the notice of the SGM, will be despatched to shareholders of the Company on or before 29 November 2016.

## **DEFINITIONS**

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

“2014-2016 Beverages Business – Asahi Transactions”	the existing continuing connected transactions relating to the Beverages Business entered into by members of the Indofood Group and associates of Asahi Group SEA, as described in the Company’s announcements dated 9 December 2013 and 15 October 2014;
“2014-2016 Beverages Business – Salim Transactions”	the existing continuing connected transactions relating to the Beverages Business entered into by members of the Indofood Group and associates of Mr. Salim, as described in the Company’s announcements dated 9 December 2013, 9 May 2014, 15 October 2014 and 16 October 2015;
“2014-2016 Dairy Business Transactions”	the existing continuing connected transactions relating to the Dairy Business entered into by members of the Indofood Group and associates of Mr. Salim, as described in the Company’s announcements dated 15 October 2014 and 29 July 2016;
“2014-2016 Distribution Business Transactions”	the existing continuing connected transactions relating to the Distribution Business entered into by members of the Indofood Group and associates of Mr. Salim, as described in the Company’s announcements dated 9 December 2013, 9 May 2014 and 15 October 2014;

“2014-2016 Flour Business Transactions”	the existing continuing connected transactions relating to the Flour Business entered into by members of the Indofood Group and associates of Mr. Salim, as described in the Company’s announcements dated 9 December 2013, 9 May 2014 and 15 October 2014;
“2014-2016 Insurance Policies Transactions”	the existing continuing connected transactions relating to the Insurance Policies entered into by members of the Indofood Group and associates of Mr. Salim, as described in the Company’s announcements dated 9 December 2013 and 15 October 2014;
“2014-2016 Noodles Business Transactions”	the existing continuing connected transactions relating to the Noodles Business entered into by members of the Indofood Group and associates of Mr. Salim, as described in the Company’s announcements dated 9 December 2013 and 15 October 2014;
“2014-2016 Plantations Business Transactions”	the existing continuing connected transactions relating to the Plantations Business entered into by members of the Indofood Group, as described in the Company’s announcements dated 9 December 2013, 9 May 2014 and 15 October 2014;
“2017-2019 Baby Diapers Business Transactions”	the continuing connected transactions relating to the Baby Diapers Business proposed to be entered into by members of the Indofood Group and associates of Mr. Salim, as referred to in Table J above in this announcement;
“2017-2019 Beverages Business – Asahi Transactions”	the continuing connected transactions relating to the Beverages Business proposed to be entered into by members of the Indofood Group and associates of Asahi Group SEA, as referred to in Table H above in this announcement;
“2017-2019 Beverages Business – Salim Transactions”	the continuing connected transactions relating to the Beverages Business proposed to be entered into by members of the Indofood Group and associates of Mr. Salim, as referred to in Table F above in this announcement;

“2017-2019 Customer Relationship Management Transactions”	the continuing connected transactions relating to the customer relationship management of the Indofood Group proposed to be entered into by members of the Indofood Group and associates of Mr. Salim, as referred to in Table I above in this announcement;
“2017-2019 Dairy Business Transactions”	the continuing connected transactions relating to the Dairy Business proposed to be entered into by members of the Indofood Group and associates of Mr. Salim, as referred to in Table G above in this announcement;
“2017-2019 Distribution Business Transactions”	the continuing connected transactions relating to the Distribution Business proposed to be entered into by members of the Indofood Group and associates of Mr. Salim, as referred to in Table C above in this announcement;
“2017-2019 Flour Business Transactions”	the continuing connected transactions relating to the Flour Business proposed to be entered into by members of the Indofood Group and associates of Mr. Salim, as referred to in Table E above in this announcement;
“2017-2019 Insurance Policies Transactions”	the continuing connected transactions relating to the Insurance Policies proposed to be entered into by members of the Indofood Group and associates of Mr. Salim, as referred to in Table D above in this announcement;
“2017-2019 Noodles Business Transactions”	the continuing connected transactions relating to the Noodles Business proposed to be entered into by members of the Indofood Group and associates of Mr. Salim, as referred to in Table A above in this announcement;
“2017-2019 Plantations Business Transactions”	the continuing connected transactions relating to the Plantations Business proposed to be entered into by members of the Indofood Group, as referred to in Table B above in this announcement;
“ACA”	PT Asuransi Central Asia, an associate of Mr. Salim;
“ADS”	PT Adithya Suramitra, an associate of Mr. Salim;
“AIB”	PT Asahi Indofood Beverage Makmur;



“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;
“Asahi Breweries”	Asahi Breweries, Ltd.;
“Asahi Group SEA”	Asahi Group Holdings Southeast Asia Pte. Ltd.;
“ASP”	PT Agrosibur Permai, a joint venture plantation company between SIMP and the Salim Group and a member of the IGER Group;
“associate”	has the meaning ascribed thereto under the Listing Rules;
“Baby Diapers Business”	the baby diapers business carried on by the Indofood Group;
“Beverages Business”	the consumer branded products businesses in respect of beverages carried on by the Indofood Group;
“Board”	board of Directors;
“Bogasari”	Bogasari, the flour mills division of Indofood;
“Borrowers”	MSA, ASP, SBN, MCP, MPI, GS and LPI, all being members of the IGER Group;
“CAR”	PT A.J. Central Asia Raya, an associate of Mr. Salim;
“Company”	First Pacific Company Limited, an exempt company incorporated in Bermuda with limited liability, and which has its shares listed on the Stock Exchange;
“CSNJ”	PT Cipta Subur Nusa Jaya, an associate of Mr. Salim;
“Dairy Business”	the consumer branded products businesses in respect of dairy carried on by the Indofood Group;
“Director(s)”	the director(s) of the Company;
“Distribution Business”	the distribution business carried on by the Indofood Group;

“Dufil”	Dufil Prima Foods Plc, an associate of Mr. Salim;
“FFI”	PT Fast Food Indonesia Tbk, an associate of Mr. Salim;
“Flour Business”	the flour business carried on by the Indofood Group;
“Group”	the Company and its subsidiaries from time to time;
“GS”	PT Gunta Samba, a joint venture plantation company between SIMP and the Salim Group and a member of the IGER Group;
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China;
“IAK”	PT Inti Abadi Kemasindo, a member of the Indofood Group;
“IAP”	PT Indomarco Adi Prima, a member of the Indofood Group;
“IASB”	PT Indofood Asahi Sukses Beverage, a member of the Indofood Group;
“IASB-FFI Beverages Transaction”	the continuing connected transaction between IASB and its subsidiaries on the one hand and FFI on the other hand in relation to the sale of drinking products by IASB and its subsidiaries to FFI, being the transaction numbered (6) in Table C and the transaction numbered (6) in Table F above in this announcement;
“IBU”	PT Indosurance Broker Utama, an associate of Mr. Salim;
“ICBP”	PT Indofood CBP Sukses Makmur Tbk, a member of the Indofood Group;
“IGER”	IndoInternational Green Energy Resources Pte. Ltd.;
“IGER Group”	IGER, MSA, SBN, MCP, LPI, ASP, GS and MPI;
“IKU”	PT Indotek Konsultan Utama, an associate of Mr. Salim;

“Independent Board Committee”	an independent committee of the Board, comprising all the independent non-executive Directors, formed for the purpose of advising the Independent Shareholders in respect of the terms of the existing Distribution Business transactions for 2016 and their revised Annual Caps for 2016, the 2017-2019 Noodles Business Transactions, the 2017-2019 Plantations Business Transactions and the 2017-2019 Distribution Business Transactions and their respective Annual Caps and making a recommendation to the Independent Shareholders as to how to vote at the SGM;
“Independent Financial Adviser”	Somerville Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser to (i) advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the existing Distribution Business transactions for 2016 and their revised Annual Caps for 2016, the 2017-2019 Noodles Business Transactions, the 2017-2019 Plantations Business Transactions and the 2017-2019 Distribution Business Transactions and their respective Annual Caps and as to how the Independent Shareholders should vote at the SGM; and (ii) opine on the duration of the framework agreement in respect of the IASB-FFI Beverages Transaction;
“Independent Shareholders”	shareholders of the Company who do not have a material interest in the continuing connected transactions described in this announcement;
“Indo Oji”	PT Indo Oji Sukses Pratama, a member of the Indofood Group;
“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 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;
“Insurance Policies”	the insurance policies taken out by members of the Indofood Group;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“LPI”	PT Lajuperdana Indah, a joint venture plantation company within the IGER Group between SIMP and the Salim Group;
“LS”	PT Lion Superindo, an associate of Mr. Salim;
“MCP”	PT Mega Citra Perdana, a joint venture plantation company within the IGER Group between SIMP and the Salim Group;
“MPI”	PT Multi Pacific International, a joint venture plantation company between SIMP and the Salim Group;
“Mr. Salim”	Mr. Anthoni Salim, the Chairman of the Board, a substantial shareholder of the Company and the President Director and CEO of Indofood;
“MSA”	PT Mentari Subur Abadi, a joint venture plantation company within the IGER Group between SIMP and the Salim Group;
“NIC”	PT Nippon Indosari Corpindo Tbk, an associate of Mr. Salim;
“Noodles Business”	the consumer branded products businesses in respect of noodles carried on by the Indofood Group;
“PDU”	PT Putri Daya Usahatama, a member of the Indofood Group;

“Pinehill”	Pinehill Arabian Food Ltd., an associate of Mr. Salim;
“Plantations Business”	the plantations business carried on by the Indofood Group;
“PopBox Asia”	PT Popbox Asia Services, an associate of Mr. Salim;
“PTM”	PT Primajasa Tunas Mandiri, an associate of Mr. Salim;
“RAP”	PT Rumah Asri Perdanaindo, an associate of Mr. Salim;
“Revolving Loan Agreement”	the revolving loan agreement in respect of a loan facility up to US\$40 million entered into between SIMP and the Borrowers;
“RMK”	PT Rimba Mutiara Kusuma, an associate of Mr. Salim;
“Salim Group”	Mr. Salim, and companies controlled by him;
“SAWAB”	Salim Wazaran Brinjikji Co., an associate of Mr. Salim;
“SAWABAS”	Salim Wazaran Bashary Food Co. Ltd., an associate of Mr. Salim;
“SAWAHI”	Salim Wazaran Hilaby Co. Ltd., an associate of Mr. Salim;
“SAWATA”	Salim Wazaran Abu Elata Co., an associate of Mr. Salim;
“SAWAZ Group”	those counterparties to the 2017-2019 Noodles Business Transactions which operate in the Middle East and Africa, and which comprise SAWAB, SAWABAS, SAWAHI, SAWATA and the joint venture entities relating to Algeria, Serbia, Iraq, Morocco, Turkey, Ethiopia and Kenya;
“SBN”	PT Swadaya Bhakti Negaramas, a joint venture plantation company within the IGER Group between SIMP and the Salim Group;
“SDM”	PT Sumberdaya Dian Mandiri, an associate of Mr. Salim;

“SGM”	the special general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving, among other things, the existing Distribution Business transactions for 2016 and their revised Annual Caps for 2016, the 2017-2019 Noodles Business Transactions, the 2017-2019 Plantations Business Transactions and the 2017-2019 Distribution Business Transactions and their respective Annual Caps;
“Shanghai Resources”	Shanghai Resources International Trading Co. Ltd., an associate of Mr. Salim;
“SIMP”	PT Salim Ivomas Pratama Tbk, a member of the Indofood Group;
“SRC”	PT Surya Rengo Containers, a 60% owned subsidiary of ICBP;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“STP”	PT Sarana Tempa Perkasa, an associate of Mr. Salim;
“Tarumatex”	PT Tarumatex, an associate of Mr. Salim; 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 = Rupiah 13,000 = HK\$7.80. 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, 10 November 2016

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

Ambassador Albert F. del Rosario

***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