

INDOFOOD AGRI RESOURCES LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No.: 200106551G)

Investment of 50% Interest in Canápolis Holding S.A. (“Canápolis”) and its subsidiaries (collectively the “Canápolis Group”)

The Board of Directors of Indofood Agri Resources Ltd. (the "**Company**") wishes to announce that its 100%-owned Brazilian subsidiary, IndoAgri Brazil Participações Ltda. ("**IndoAgri Brazil**") and its joint venture partner, JF Investimentos S.A. ("**JF**") have agreed to jointly invest in a new joint venture, Canápolis. Pursuant to a Share Subscription Agreement entered between IndoAgri Brazil and JF, each partner will contribute an initial capital of BRL 23.6 million (approximately US\$7.2 million)¹. Following the capital injection by both parties, Canápolis will become a 50% : 50% joint venture between IndoAgri Brazil and JF. IndoAgri Brazil has contributed its 50% share of capital on 15 February 2018.

Canápolis Group was incorporated in November 2017 and in December 2017 acquired a sugar mill in Minas Gerais in Brazil with an annual cane crushing capacity of 1.8 million tonnes and 6,048 hectares of land ("**Assets**") through a court auction process due to the bankruptcy of the previous owner. The acquisition price for the Assets is approximately BRL 137.8 million (approximately US\$42.0 million)¹ to be paid in four installments, the final payment being in June 2019.

Canápolis Group expects to start operating the mill in 2020 after the completion of cane planting and rehabilitation of the mill. The capital expenditures for the cane planting and rehabilitation will be mainly funded by bank borrowings.

By Order of the Board of the Company

Mark Wakeford
CEO and Executive Director

19 February 2018

¹ converted at exchange rate of BRL 3.2818/US\$1