

CIRCULAR DATED 5 APRIL 2011

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

Unless otherwise stated, capitalised terms on this cover are defined in this Circular under the section entitled "DEFINITIONS"

If you have sold or transferred all your Shares held through CDP, you need not forward this Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all your Shares which are represented by physical share certificate(s), you should forward this Circular, the Notice of Extraordinary General Meeting and the attached Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.

This Circular does not constitute, and is not intended to be, an offer of securities or an initial public offer in any jurisdiction, or a notice, circular or advertisement calling or drawing attention to an offer or an initial public offering to the public in any jurisdiction to subscribe for and/or purchase any offer shares or a statement intended to induce any person to apply for any offer shares in the IPO or any securities offering. The securities of PT Salim Ivomas Pratama referred to in this Circular have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold unless registered or an exemption from registration is available. PT Salim Ivomas Pratama does not intend to register any portion of the offering in the United States or to conduct a public offering in the United States.



INDOFOOD AGRI RESOURCES LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200106551G)

CIRCULAR TO SHAREHOLDERS

in relation to

- (I) **THE POSSIBLE MATERIAL DILUTION OF UP TO A MAXIMUM OF 20% OF THE COMPANY'S SHAREHOLDING INTEREST IN PT SALIM IVOMAS PRATAMA ("PT SIMP"), A PRINCIPAL SUBSIDIARY OF THE COMPANY, PURSUANT TO THE PROPOSED INITIAL PUBLIC OFFERING AND LISTING OF PT SIMP ON THE INDONESIA STOCK EXCHANGE; AND**
- (II) **THE PROPOSED AMALGAMATION OF INDOFOOD OIL & FATS PTE. LTD. ("IOFPL"), AN INTERMEDIATE HOLDING COMPANY IN SINGAPORE, WITH THE COMPANY PURSUANT TO SECTION 215D(1) OF THE COMPANIES ACT (CAP. 50)**

Financial Adviser to Indofood Agri Resources Ltd.



KIM ENG CORPORATE FINANCE PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200207700C)

IMPORTANT DATES AND TIMES

| | | |
|------------------------------------------------|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Last date and time for lodgement of Proxy Form | : | 26 April 2011 at 4.30 p.m. |
| Date and time of Extraordinary General Meeting | : | Thursday, 28 April 2011 at 4.30 p.m. (or immediately after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 4.00 p.m. on the same day and at the same place, whichever is later) |
| Place of Extraordinary General Meeting | : | Swissôtel Merchant Court Singapore, Merchant Court Ballroom, Section A, 20 Merchant Road, Singapore 058281 |

CONTENTS

| | Page |
|-----------------------------------------------------------------|-------------|
| DEFINITIONS | 3 |
| INDICATIVE TIMETABLE | 6 |
| LETTER TO SHAREHOLDERS | |
| 1. INTRODUCTION | 7 |
| 2. THE PROPOSED IPO AND LISTING | 8 |
| 3. THE PROPOSED AMALGAMATION | 14 |
| 4. INTERESTS OF THE DIRECTORS AND CONTROLLING SHAREHOLDERS..... | 18 |
| 5. DIRECTORS' RECOMMENDATION | 19 |
| 6. EXTRAORDINARY GENERAL MEETING | 19 |
| 7. ACTION TO BE TAKEN BY SHAREHOLDERS | 19 |
| 8. DIRECTORS' RESPONSIBILITY STATEMENT | 20 |
| 9. FINANCIAL ADVISER'S RESPONSIBILITY STATEMENT..... | 20 |
| 10. CONSENT | 20 |
| 11. DOCUMENTS AVAILABLE FOR INSPECTION..... | 20 |
| APPENDIX A | 21 |
| NOTICE OF EXTRAORDINARY GENERAL MEETING | A-1 |
| PROXY FORM | |

DEFINITIONS

The following definitions shall apply throughout unless otherwise stated in this Circular:

Companies, Organisations and Agencies

| | | |
|-----------------|---|------------------------------------------------------------------------------------------------------------------------------------------|
| “ACRA” | : | The Accounting and Corporate Regulatory Authority of Singapore |
| “BAPEPAM-LK” | : | <i>Badan Pengawas Pasar Modal dan Lembaga Keuangan</i> , or the Indonesian Capital Markets and Financial Institutions Supervisory Agency |
| “CDP” | : | The Central Depository (Pte) Limited |
| “Company” | : | Indofood Agri Resources Ltd. |
| “CPF” | : | Central Provident Fund |
| “FPI” | : | First Pacific Investments Limited |
| “FPIL BVI” | : | First Pacific Investments (B.V.I.) Limited |
| “IDX” | : | Indonesia Stock Exchange |
| “IFAR Group” | : | The Company and its subsidiaries |
| “Indonesia” | : | Republic of Indonesia |
| “IOFPL” | : | Indofood Oil & Fats Pte. Ltd. |
| “ISHPL” | : | Indofood Singapore Holdings Pte. Ltd. |
| “Kim Eng” | : | Kim Eng Corporate Finance Pte. Ltd. |
| “PT BMI” | : | PT Bina Makna Indopratama |
| “PT ISM” | : | PT Indofood Sukses Makmur Tbk |
| “PT MIS” | : | PT Mandiri Investama Sejati |
| “PT MLN” | : | PT Multi Langgeng Nusantara |
| “PT SIMP” | : | PT Salim Ivomas Pratama, a 90 per cent.-owned subsidiary of the Company |
| “PT SIMP Group” | : | PT SIMP and its subsidiaries as at the Latest Practicable Date |
| “Registrar” | : | Registrar of Companies |
| “SGX-ST” | : | Singapore Exchange Securities Trading Limited |

General

| | | |
|-------------------------|---|----------------------------------------------------------------|
| “Amalgamated Company” | : | Has the meaning ascribed to it in Section 1 of this Circular |
| “Amalgamating Company” | : | Has the meaning ascribed to it in Section 3.1 of this Circular |
| “Amalgamation Proposal” | : | Has the meaning ascribed to it in Section 3.4 of this Circular |

DEFINITIONS

| | | |
|----------------------------------|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>“Board”</i> | : | The board of directors of the Company from time to time |
| <i>“Circular”</i> | : | This circular dated 5 April 2011 to Shareholders |
| <i>“Companies Act”</i> | : | The Companies Act, Chapter 50 of Singapore |
| <i>“Controlling Shareholder”</i> | : | Has the meaning ascribed thereto in the Listing Manual, being a person who holds directly or indirectly 15% or more of the total number of issued shares, excluding treasury shares, in a company (unless the SGX-ST determines otherwise) or who in fact exercises control over a company |
| <i>“Directors”</i> | : | The directors of the Company as at the date of this Circular |
| <i>“Effective Date”</i> | : | Has the meaning ascribed to it in Section 3.4 of this Circular |
| <i>“EGM”</i> | : | The extraordinary general meeting of Shareholders of the Company, notice of which is given on pages A-1 and A-2 of this Circular |
| <i>“EPS”</i> | : | Earnings per Share |
| <i>“FY”</i> | : | Financial year ended, or as the case may be, ending 31 December |
| <i>“Indonesian GAAP”</i> | : | Generally accepted accounting principles in Indonesia |
| <i>“IPO”</i> | : | The proposed initial public offering of the Offer Shares to investors in Indonesia and to eligible investors residing outside Indonesia, subject to and on the terms and conditions of offering documents to be issued by PT SIMP in connection with such initial public offering |
| <i>“Latest Practicable Date”</i> | : | 1 April 2011, being the latest practicable date prior to the printing of this Circular |
| <i>“Listing”</i> | : | The proposed listing of PT SIMP and quotation of the Offer Shares on the IDX |
| <i>“Listing Manual”</i> | : | The listing manual of the SGX-ST |
| <i>“Minority Shareholders”</i> | : | PT MIS and PT MLN, all being third parties to the IFAR Group |
| <i>“NAV”</i> | : | Net asset value |
| <i>“Notice of EGM”</i> | : | The Notice of EGM as set out on pages A-1 and A-2 of this Circular |
| <i>“NTA”</i> | : | Net tangible assets |
| <i>“Offer Price”</i> | : | The offer price of the Offer Shares |
| <i>“Offer Shares”</i> | : | New ordinary registered shares of PT SIMP with a par value of Rp200 per share to be offered under the IPO |

DEFINITIONS

| | | |
|---------------------------|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Proposed Amalgamation” | : | The proposed amalgamation of IOFPL and the Company, with the Company as the Amalgamated Company, pursuant to Section 215D(1) of the Companies Act |
| “Securities Account” | : | Securities account maintained by a Depositor with CDP but does not include a securities sub-account |
| “SFRS” | : | Singapore Financial Reporting Standards |
| “Shareholders” | : | Registered holders of Shares, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the persons named as Depositors in the Depository Register and whose Securities Accounts maintained with CDP are credited with Shares |
| “Shares” | : | Ordinary shares in the share capital of the Company |
| “Substantial Shareholder” | : | A person who has an interest in one or more voting shares in a company and the total votes attached to such share(s) is not less than 5% of the total votes attached to all the voting shares in the company |

Countries, currencies, units, and others

| | | |
|-------------------|---|--------------------------------------------------------------------------------------------|
| “Rp” or “Rupiah” | : | Indonesian Rupiah, the lawful currency of the Republic of Indonesia |
| “S\$” and “cents” | : | Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore |
| “United States” | : | United States of America |
| “%” | : | Per centum or percentage |

The expressions “Depositor”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

The term “subsidiary” shall have the meaning ascribed to it by Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. Words importing persons shall include corporations.

Any reference in this Circular to any statute or enactment or the Listing Manual is a reference to that statute or enactment or the Listing Manual as for the time being amended or re-enacted. Any word defined under the Companies Act or the Listing Manual or any amendment thereof, and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act or the Listing Manual or such modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding.

INDICATIVE TIMETABLE

The following indicative timetable assumes that approval for all the resolutions proposed at the EGM is obtained on 28 April 2011.

| | | |
|--------------------------------------------------------|---|---------------------------|
| Submission of the registration statement to BAPEPAM-LK | : | 30 March 2011 |
| EGM | : | 28 April 2011 |
| Effective date of BAPEPAM-LK registration statement | : | On or about 27 May 2011 |
| Commencement of offering period for the IPO | : | On or about 30 May 2011 |
| Commencement of listing of the Offer Shares on the IDX | : | On or about 9 June 2011 |
| Expected effective date of the Proposed Amalgamation | : | On or about 1 August 2011 |

Please note that the above timetable is indicative only and may be subject to change. Where any of the events cannot take place on the dates specified or changes are required thereto, an appropriate announcement stipulating an alternative date will be made by the Company through an SGXNET announcement to be posted on the internet at the SGX-ST website, <http://www.sgx.com>. Please refer to future announcement(s) by the Company for the actual dates of these events.

LETTER TO SHAREHOLDERS

INDOFOOD AGRI RESOURCES LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200106551G)

Directors

Lee Kwong Foo, Edward (*Chairman and Lead Independent Director*)
Lim Hock San (*Non-Executive Vice Chairman and Independent Director*)
Mark Julian Wakeford (*Chief Executive Officer and Executive Director*)
Moleonoto Tjang (*Executive Director*)
Gunadi (*Executive Director*)
Suaimi Suriady (*Executive Director*)
Tjhie Tje Fie (*Non-Executive Director*)
Axton Salim (*Non-Executive Director*)
Goh Kian Chee (*Independent Director*)
Hendra Susanto (*Independent Director*)

Registered Office

8 Eu Tong Sen Street
#16-96/97 The Central
Singapore 059818

Date: 5 April 2011

To: **The Shareholders of Indofood Agri Resources Ltd.**

Dear Sir / Madam

- (I) **THE POSSIBLE MATERIAL DILUTION OF UP TO A MAXIMUM OF 20% OF THE COMPANY'S SHAREHOLDING INTEREST IN PT SIMP, A PRINCIPAL SUBSIDIARY OF THE COMPANY, PURSUANT TO THE IPO AND LISTING OF PT SIMP ON THE IDX; AND**
- (II) **THE PROPOSED AMALGAMATION OF IOFPL, AN INTERMEDIATE HOLDING COMPANY IN SINGAPORE, WITH THE COMPANY PURSUANT TO SECTION 215D(1) OF THE COMPANIES ACT**

1. INTRODUCTION

On 18 February 2011, the Company announced that PT SIMP is exploring a listing on the IDX. On 14 March 2011, PT SIMP had submitted a shares listing application to the IDX for the Listing. On 30 March 2011, PT SIMP had submitted an application to BAPEPAM-LK for approval to list up to 3,163,260,000 Offer Shares on the IDX.

The Company currently has a 90% shareholding interest in PT SIMP through IOFPL, which is a private limited company incorporated in Singapore. As at the Latest Practicable Date, IOFPL is a wholly-owned subsidiary of the Company. PT SIMP is a principal subsidiary of the Company. PT SIMP in turn holds all the operating subsidiaries of the IFAR Group and the list is as set out in Appendix A to this Circular.

Assuming that the maximum number of 3,163,260,000 Offer Shares are issued in the IPO which represents approximately 20% of the enlarged share capital of PT SIMP, the IPO will result in a dilution of the Company's shareholding interest in PT SIMP from 90% to 72%. Pursuant to Rule 805(2)(b) of the Listing Manual, the Directors are convening the EGM to seek the approval of Shareholders for the possible material dilution of the Company's shareholding interest in PT SIMP pursuant to the IPO and Listing of PT SIMP on the IDX (the "**Possible Material Dilution**").

Following the Listing (if proceeded with), with a view towards streamlining the corporate structure of the IFAR Group and in order to facilitate the upstreaming of dividends from PT SIMP to the Company (further information is set out in Section 2.3.3 below), the Board is proposing that IOFPL and the Company amalgamate and continue as one company, with the Company as the amalgamated company ("**Amalgamated Company**"), pursuant to Section 215D(1) of the Companies Act.

LETTER TO SHAREHOLDERS

The Proposed Amalgamation is subject to, amongst other things, the approval of the Shareholders at the EGM by way of a special resolution.

The purpose of this Circular is to provide Shareholders with information on the Possible Material Dilution and the Proposed Amalgamation, for which the approval of the Shareholders will be sought at the EGM.

This Circular has been prepared solely for the purpose set out herein and may not be relied upon by any persons (other than the Shareholders) or for any other purpose.

Nothing in this Circular constitutes, or shall be construed as constituting, an offer or invitation to any person to subscribe for any Offer Shares.

2. THE PROPOSED IPO AND LISTING

2.1 OVERVIEW OF THE PROPOSED IPO

The Company currently has a 90% shareholding interest in PT SIMP through IOFPL. Further information on the PT SIMP Group is set out in Section 2.4 and Appendix A below.

Subject to other factors and considerations including the prevailing market conditions, PT SIMP is considering a public offering of up to 3,163,260,000 Offer Shares, representing approximately 20% of its post-invitation enlarged share capital, to (a) investors in Indonesia and (b) eligible investors residing outside Indonesia. An application for the listing of PT SIMP on the IDX had been submitted to IDX on 14 March 2011 and PT SIMP had on 29 March 2011 signed a pre-listing agreement with the IDX. As stated above, PT SIMP had on 30 March 2011 submitted an application to BAPEPAM-LK for approval to list up to 3,163,260,000 Offer Shares on the IDX.

The IPO and Listing are subject to, *inter alia*, approval from Shareholders. The Company does not intend to offer any of its existing shareholding interest in PT SIMP in the IPO nor does it intend to subscribe for any Offer Shares in the IPO. It is envisaged that while the Company's shareholding interest in PT SIMP will be diluted following completion of the IPO, the Company will still hold 72% of PT SIMP and will continue to have management control of PT SIMP. Further, the Company intends to maintain its majority shareholding interest in PT SIMP as a long-term investment. PT SIMP will remain as a principal subsidiary of the Company and its financial results will continue to be consolidated into the IFAR Group's results.

Shareholders should note that no public offer will be made in Singapore.

2.2 CONDITIONS RELATING TO THE PROPOSED IPO

It is currently envisaged that the IPO and Listing will be conditional upon, *inter alia*:

- (a) the passing of an ordinary resolution by Shareholders to approve the Possible Material Dilution;
- (b) approval for the IPO and the Listing by BAPEPAM-LK and IDX and where applicable, any other regulatory approval for the IPO and the Listing;
- (c) the terms of the IPO and Listing being agreed among the Company, PT SIMP and any proposed underwriter;
- (d) such other terms and conditions as may be provided for in any agreement entered into by PT SIMP in relation to the IPO and Listing including any *force majeure* or similar clause; and
- (e) such other regulatory or other approvals or consents as may be required or advisable, on terms acceptable to the Company and PT SIMP and the same remaining in force.

In connection with the IPO and Listing, the Company also needs to obtain its Shareholders' approval for the Proposed Amalgamation by way of a special resolution.

LETTER TO SHAREHOLDERS

An indicative timetable for certain of the events relating to the IPO and Listing is set out on page 6 of this Circular.

Shareholders should note that the IPO and Listing are subject to, *inter alia*, regulatory approvals as well as the market conditions prevailing at the time immediately before the IPO and Listing. Depending on the market conditions then prevailing, the Directors and the directors of PT SIMP may decide not to proceed with the IPO and Listing. As the IPO and Listing and the Possible Material Dilution may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares of the Company.

2.3 RATIONALE FOR THE IPO AND LISTING

2.3.1 Reduce gearing, fund capital expenditure (“CAPEX”) requirements and fund the expansion of the PT SIMP Group

The PT SIMP Group has borrowings of approximately Rp8,494 billion (equivalent to approximately US\$945 million) as at 31 December 2010 and CAPEX requirements (which is projected to be in excess of US\$200 million for 2011). All these borrowings and CAPEX requirements are incurred by the PT SIMP Group as the operating subsidiaries of the Company. The Company, as the investment holding company, has no such liabilities. In particular, an amount of approximately US\$400 million (the “**Lonsum Borrowing**”) had been borrowed by PT SIMP to fund the acquisition of 56.4% of the enlarged issued share capital of PT Perusahaan Perkebunan London Sumatra Indonesia Tbk (“**Lonsum**”), of which approximately US\$200 million has been repaid as at the Latest Practicable Date.

The net proceeds of the IPO will be partly used to repay the remaining Lonsum Borrowing, and will therefore reduce the gearing of the IFAR Group. The reduced gearing is expected to strengthen the financial position of PT SIMP and consequently the IFAR Group, as well as increase the IFAR Group’s ability to raise funds for future business expansion.

2.3.2 Reduce foreign currency exchange risks

A substantial portion of the total borrowings of US\$945 million of the PT SIMP Group as at 31 December 2010 (approximately 71%) is denominated in Rupiah. Further, a substantial part of the PT SIMP Group’s CAPEX requirements for 2011 is expected to be in Rupiah. As such and to avoid foreign currency exchange risk, it would be more appropriate for PT SIMP to raise the funds directly in Rupiah.

2.3.3 Facilitate payment of future dividends

The IPO and Listing is expected to strengthen the financial position of PT SIMP and consequently the IFAR Group. Upon the completion of the IPO and Listing, the share capital of PT SIMP will be increased and the net proceeds from the IPO will be used to, *inter alia*, reduce a substantial portion of its borrowings, thereby lowering its gearing ratio and improving its cash flow position. Based on the tax treaty between Indonesia and Singapore, the withholding tax rate on the dividends will be reduced from 20% to 10% with the Listing, coupled with the completion of the Proposed Amalgamation (further information on which is set out in Section 3 below). This will enable dividends to be upstreamed from PT SIMP to the Company at a reduced withholding tax rate of 10%. This would facilitate the payment of dividends by the Company to its Shareholders.

The Company currently intends, subject to its financial performance and financial position as well as conditional upon approval from its Shareholders, to pay as dividend approximately 20% of the Company’s profits starting from the financial year ending 31 December 2011.

LETTER TO SHAREHOLDERS

2.3.4 Expansion into new businesses

The reduction of the gearing (arising from the IPO) will enable the Company to consider future expansion of its business. The Company intends to expand into new businesses that offer a strategic fit with its existing agribusiness, as well as providing growth opportunities and creating value for its Shareholders. The new businesses could be developed through organic growth, acquisitions or joint ventures.

In connection with this, the Company and PT SIMP have reached a mutual agreement in relation to the business expansion policies of the Group as follows:-

- (i) In Indonesia:
 - (a) with respect to PT SIMP's existing business categories, PT SIMP will have a right of first refusal to undertake any future business in these business categories; and
 - (b) with respect to any new business categories that PT SIMP does not currently operate in, the Company as well as PT SIMP will have the right to undertake such new business categories.
- (ii) Outside Indonesia:
 - (a) with respect to PT SIMP's existing business categories, the Company will have a right of first refusal to undertake any future expansion in these business categories; and
 - (b) with respect to any new business categories that PT SIMP does not currently operate in, the Company as well as PT SIMP will have the right to undertake such new business categories.

As of 31 December 2010, the Company has a cash balance of approximately S\$230 million. The Board of Directors of the Company will undertake to commit these funds for the acquisition of new businesses at the Company level. The timeframe of such acquisitions will be subject to certain conditions, including but not limited to:

- (a) market conditions;
- (b) the availability of potential value accretive business opportunities; and
- (c) the relevant regulatory and shareholders' approvals as necessary.

2.4 INFORMATION ABOUT THE PT SIMP GROUP

2.4.1 Background Information and Business Overview

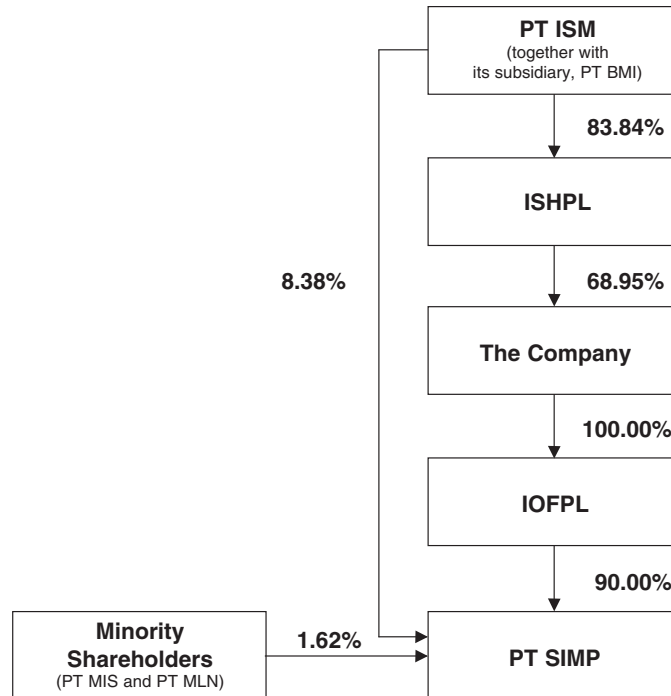
PT SIMP was incorporated in Indonesia as a limited liability company on 12 August 1992. As at the Latest Practicable Date, it has an authorised capital of Rp3,500,000,000,000 divided into 17,500,000,000 shares of Rp200 each, and an issued and paid-up share capital of Rp2,530,610,000,000 divided into 12,653,050,000 shares of Rp200 each. As at the Latest Practicable Date, the Company owns 90% of the issued shares in PT SIMP through IOFPL. The remaining 10% of the issued shares in PT SIMP is held as to 8.38% by PT ISM and as to 1.62% by the Minority Shareholders.

The PT SIMP Group is a vertically integrated agribusiness group, with its principal activities comprising oil palm seed breeding, cultivation of oil palm plantations, production and refining of crude palm oil and crude coconut oil, cultivation of rubber and sugar cane plantations and marketing and selling these end products. The PT SIMP Group is also involved in managing and cultivating small portions of cocoa, coconut and tea plantations, and marketing and selling the related products.

LETTER TO SHAREHOLDERS

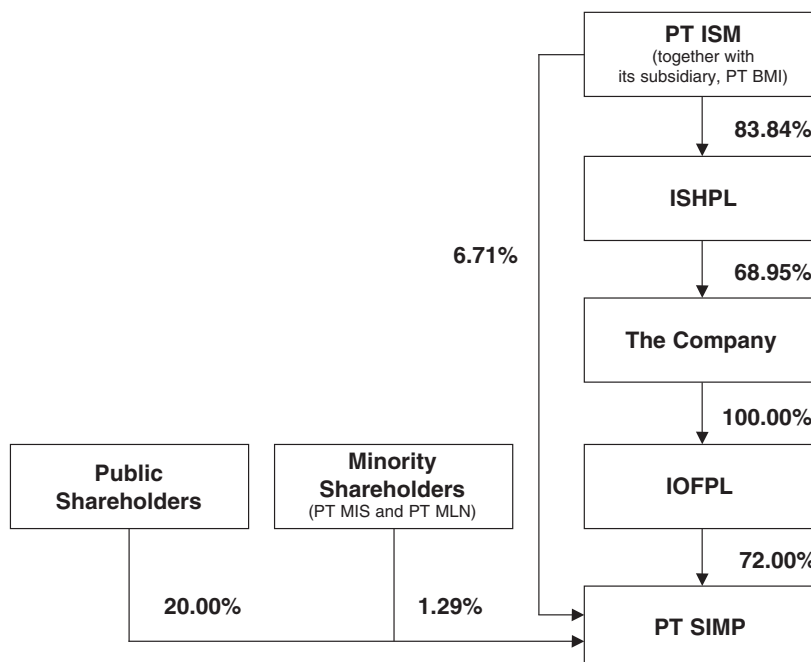
The following diagram depicts the structure of the IFAR Group as at the Latest Practicable Date. Information on the subsidiaries of PT SIMP as at the Latest Practicable Date is set out in Appendix A to this Circular.

As at the Latest Practicable Date



After the IPO

Assuming that the maximum number of 3,163,260,000 Offer Shares are issued in the IPO which represents approximately 20% of the enlarged share capital of PT SIMP, the IPO will result in a dilution of the Company's shareholding interest in PT SIMP from 90% to 72%.



LETTER TO SHAREHOLDERS

2.4.2 Certain Financial Information on the PT SIMP Group

A summary of selected financial information of the PT SIMP Group for FY2009 and FY2010 derived from the audited consolidated financial statements of the PT SIMP Group for the respective financial years, which were prepared under Indonesian GAAP and which have not been adjusted to align to SFRS, is as follows. The said consolidated financial statements of the PT SIMP Group have been audited by Purwantono, Sarwoko & Sandjaja, the Indonesian member firm of Ernst & Young Global, independent public accountants, in accordance with auditing standards established by the Indonesian Institute of Certified Public Accountants.

| | FY2009 Audited Actual Rp' billion | FY2010 Audited Actual Rp' billion |
|-------------------------------------------|------------------------------------------------------|------------------------------------------------------|
| <u>Condensed Income Statements</u> | | |
| Revenue | 9,040 | 9,484 |
| Profit from operations | 2,127 | 2,537 |
| Profit before income tax | 1,935 | 2,012 |
| Profit attributable to shareholders | 1,009 | 971 |
| <u>Condensed Balance Sheets</u> | | |
| Non-current assets | 14,549 | 16,392 |
| Current assets | 3,763 | 4,671 |
| Current liabilities | 2,902 | 4,101 |
| Non-current liabilities | 6,706 | 7,224 |
| Shareholders' equity | 6,835 | 7,732 |

It is noted that the IFAR Group's financial statements have been prepared in accordance with SFRS. The key differences between SFRS and Indonesian GAAP include, *inter alia*, adjustments for the fair valuation of biological assets and financial instruments and the resultant tax effects, the method of accounting for business combination and the accounting treatment of goodwill.

2.4.3 Other Information

(a) Commissioners and directors of PT SIMP

The members of the board of commissioners of PT SIMP as at the Latest Practicable Date are:

| | | |
|--------------------------|---|----------------|
| President Commissioner | : | Tjhie Tje Fie |
| Commissioner | : | Axton Salim |
| Independent Commissioner | : | Hendra Susanto |

The directors of PT SIMP as at the Latest Practicable Date are:

| | | |
|-------------------------|---|----------------------|
| President Director | : | Mark Julian Wakeford |
| Vice President Director | : | Moleonoto Tjang |
| Director | : | Gunadi |
| Director | : | Suaimi Suriady |
| Director | : | Johnny Ponto |
| Director | : | Soenardi Winarto |
| Director | : | Sugih Wanasuria |

LETTER TO SHAREHOLDERS

(b) Shareholders and Share Capital of PT SIMP before and after the IPO

| Names of shareholders of PT SIMP | Before the IPO | | | After the IPO | | |
|----------------------------------|--------------------------|----------------|----------------------------------|------------------------------|----------------|----------------------------------|
| | No. of shares in PT SIMP | % | Paid Up Capital (in Rp 'million) | No. of shares in PT SIMP | % | Paid Up Capital (in Rp 'million) |
| IOFPL | 11,387,745,000 | 90.00% | 2,277,549 | 11,387,745,000 | 72.00% | 2,277,549 |
| PT ISM | 1,012,185,000 | 8.00% | 202,437 | 1,012,185,000 | 6.40% | 202,437 |
| PT BMI ⁽¹⁾ | 48,695,000 | 0.38% | 9,739 | 48,695,000 | 0.31% | 9,739 |
| PT MIS ⁽²⁾ | 163,540,000 | 1.29% | 32,708 | 163,540,000 | 1.03% | 32,708 |
| PT MLN ⁽²⁾ | 40,885,000 | 0.33% | 8,177 | 40,885,000 | 0.26% | 8,177 |
| Public | – | – | – | 3,163,260,000 ⁽³⁾ | 20.00% | 632,652 |
| Total | 12,653,050,000 | 100.00% | 2,530,610 | 15,816,310,000 | 100.00% | 3,163,262 |

Notes:

- (1) PT BMI is a wholly-owned subsidiary of PT ISM.
- (2) Minority shareholders of PT SIMP.
- (3) Assuming that the maximum number of 3,163,260,000 Offer Shares are issued in the IPO.

2.5 REASONS FOR THE NON-DISCLOSURE OF THE ESTIMATED FINANCIAL EFFECTS OF THE POSSIBLE MATERIAL DILUTION

Currently, there is no indicative Offer Price and offer size. The exact Offer Price and actual number of Offer Shares will be determined by the Company and PT SIMP, in consultation with the underwriters of the IPO, closer to the date of the IPO through a book-building process after taking into consideration, *inter alia*, the then prevailing market conditions and the estimated market demand for the Offer Shares. The Directors also considered that setting out an indicative Offer Price or a range of Offer Price and offer size at this stage may condition the market prior to the launch of the book-building process regarding the size and the floor and ceiling prices for the IPO.

The Company will make an announcement on the financial effects of the Possible Material Dilution via the SGXNET when the Offer Price and offer size are finalised.

2.6 SHAREHOLDERS' APPROVAL

Rule 805(2) of the Listing Manual states that an issuer must obtain the prior approval of shareholders in general meeting if a principal subsidiary of the issuer issues shares that will or may result in a percentage reduction of 20% or more of the issuer's equity interest in the principal subsidiary.

As stated above, assuming that the maximum number of 3,163,260,000 Offer Shares are issued in the IPO which represents approximately 20% of the enlarged share capital of PT SIMP, the IPO will result in a dilution of the Company's shareholding interest in PT SIMP from 90% to 72%. Accordingly, the IPO and Listing, if proceeded on the above basis, will constitute a material dilution of the Company's shareholding interest in PT SIMP, which is a principal subsidiary of the Company.

It should be noted that the extent of percentage reduction of the Company's shareholding interest in PT SIMP has not been determined as at the Latest Practicable Date. It is possible that the actual percentage reduction of the Company's shareholding interest in PT SIMP immediately following the completion of the IPO may not constitute a material dilution within the meaning of Rule 805(2)(b) of the Listing Manual.

However, to remove any uncertainty and to give the Company and PT SIMP maximum flexibility to decide on the Offer Price and offer size, the Company is seeking Shareholders' approval to the Possible Material Dilution.

LETTER TO SHAREHOLDERS

3. THE PROPOSED AMALGAMATION

3.1 BRIEF DESCRIPTION OF A SHORT-FORM AMALGAMATION

Contingent upon the approval of Shareholders to the Possible Material Dilution and the Listing being effected, with a view towards streamlining the corporate structure of the IFAR Group and in order to facilitate the upstreaming of dividends from PT SIMP to the Company, the Board is proposing that the Proposed Amalgamation be carried out.

The Proposed Amalgamation will be effected by way of a short-form amalgamation under Section 215D(1) of the Companies Act, which provides, *inter alia*, that a company and one or more of its wholly-owned subsidiaries may amalgamate and continue as one company, being the amalgamated holding company, if certain conditions are met, including that the shareholders of each amalgamating company approve the amalgamation by way of a special resolution at a general meeting. IOFPL and the Company are each, an “**Amalgamating Company**”. Following the Proposed Amalgamation, all the property, rights, privileges, liabilities and obligations of IOFPL will be transferred to and vest in, the Company (being the Amalgamated Company). Further information on the effect of the Proposed Amalgamation is set out in Sections 3.5 and 3.6 of this Circular.

3.2 CERTAIN INFORMATION ON IOFPL

IOFPL was incorporated in Singapore as a private company limited by shares on 11 September 2006, with a total issued and paid-up share capital of S\$100,000 comprising 100,000 ordinary shares, all of which were acquired by the Company via a reverse take-over in January 2007. IOFPL was incorporated in connection with the group restructuring exercise undertaken to form the PT SIMP Group prior to the reverse take-over.

As stated above, as at the Latest Practicable Date, IOFPL holds 90% of the issued shares in PT SIMP, which in turn is the holding company of all the operating subsidiaries of the IFAR Group as set out in Appendix A to this Circular. Upon completion of the Listing, assuming that the maximum number of 3,163,260,000 Offer Shares are issued in the IPO, IOFPL's ownership interest in PT SIMP will be reduced to 72%.

The directors of IOFPL as at the Latest Practicable Date are Messrs Tjhie Tje Fie, Moleonoto Tjang and Tan Hang Huat.

3.3 CERTAIN PRINCIPAL TERMS OF THE PROPOSED AMALGAMATION

The Proposed Amalgamation will result in IOFPL and the Company amalgamating and continuing as one company, with the Company as the Amalgamated Company. There shall be no change in the name of the Company immediately following the completion of the Proposed Amalgamation. Under the Proposed Amalgamation:

- (i) the existing issued ordinary shares in the capital of IOFPL will be cancelled without any payment or any other consideration;
- (ii) the Memorandum of Association of the Company shall become the Memorandum of Association of the Amalgamated Company; and

LETTER TO SHAREHOLDERS

- (iii) the following persons, who are the existing directors of the Company, shall be the directors of the Amalgamated Company with effect from the Effective Date:
- (a) Lee Kwong Foo, Edward;
 - (b) Lim Hock San;
 - (c) Mark Julian Wakeford;
 - (d) Moleonoto Tjang;
 - (e) Gunadi;
 - (f) Suaimi Suriady;
 - (g) Tjhie Tje Fie;
 - (h) Axton Salim;
 - (i) Goh Kian Chee; and
 - (j) Hendra Susanto.

3.4 REQUIREMENTS FOR THE PROPOSED AMALGAMATION

In connection with the Proposed Amalgamation, the Companies Act provides, *inter alia*, that:

- (i) In relation to IOFPL
- (a) the directors of IOFPL shall, not less than 21 days before the general meeting convened to consider a special resolution to approve the Proposed Amalgamation, give written notice of the Proposed Amalgamation to every secured creditor of IOFPL;
 - (b) the special resolution passed at the general meeting of IOFPL (the “**IOFPL EGM**”) shall be deemed to be an amalgamation proposal that has been approved;
 - (c) the board of directors of IOFPL shall, before the date of the IOFPL EGM, make a solvency statement (the “**IOFPL Solvency Statement**”) in relation to the Amalgamated Company in accordance with the provisions as set out in the Companies Act;
 - (d) every director of IOFPL who votes in favour of the making of the IOFPL Solvency Statement shall sign a declaration (the “**IOFPL Section 215D(6) Declaration**”) stating that in his opinion the conditions specified in the Companies Act in relation to the IOFPL Solvency Statement are satisfied, and the grounds for that opinion; and
 - (e) the directors of IOFPL shall, pursuant to Section 215E(1)(c) of the Companies Act, sign a declaration (the “**IOFPL Section 215E(1)(c) Declaration**”) stating that the Proposed Amalgamation has been approved in accordance with the Companies Act and the Memorandum of Association of IOFPL; and
- (ii) In relation to the Company
- (a) the Directors shall, not less than 21 days before the EGM convened to consider the special resolution to approve the Proposed Amalgamation, give written notice of the Proposed Amalgamation to every secured creditor of the Company;
 - (b) the special resolution passed at the EGM shall be deemed to be an amalgamation proposal that has been approved;
 - (c) the Board shall, before the date of the EGM, make a solvency statement (the “**IndoAgri Solvency Statement**”) in relation to the Amalgamated Company in accordance with the provisions as set out in the Companies Act;
 - (d) every Director who votes in favour of the making of the IndoAgri Solvency Statement shall sign a declaration (the “**IndoAgri Section 215D(6) Declaration**”) stating that in his opinion the conditions specified in the Companies Act in relation to the IndoAgri Solvency Statement are satisfied, and the grounds for that opinion;

LETTER TO SHAREHOLDERS

- (e) the Directors shall, pursuant to Section 215E(1)(c) of the Companies Act, sign a declaration (the “**IndoAgri Section 215E(1)(c) Declaration**”) stating that the Proposed Amalgamation has been approved in accordance with the Companies Act and the Memorandum of Association of the Company; and
- (f) the Directors, or proposed directors, of the Company, being the Amalgamated Company, shall pursuant to Section 215E(1)(e) of the Companies Act, sign a declaration (the “**IndoAgri Section 215E(1)(e) Declaration**”) stating that, where the proportion of the claims of the creditors of the Amalgamated Company in relation to the value of the assets of the Amalgamated Company is greater than the proportion of the claims of the creditors of an Amalgamating Company in relation to the value of the assets of the Amalgamating Company, no creditor will be prejudiced by that fact.

As at the Latest Practicable Date, the requirements in Sections 3.4(i)(c) and (d) and 3.4(ii)(c) and (d) above have been fulfilled. The IOFPL EGM has been convened to be held on 28 April 2011. As at the Latest Practicable Date, IOFPL does not have any secured creditors. Written notice of the Proposed Amalgamation has been given to the secured creditors of the Company.

Following the EGM and the IOFPL EGM, the declarations described in Section 3.4(i)(e) and Sections 3.4(ii)(e) and (f) will be obtained. Thereafter, the following documents, together with certain prescribed information and other relevant documents, will be submitted to ACRA in the prescribed form for the registration of the Proposed Amalgamation:

- (i) the amalgamation proposal (which is the special resolution respectively passed at the EGM and at the IOFPL EGM) (the “**Amalgamation Proposal**”);
- (ii) the IOFPL Solvency Statement;
- (iii) the IndoAgri Solvency Statement;
- (iv) the IOFPL Section 215D(6) Declaration;
- (v) the IndoAgri Section 215D(6) Declaration;
- (vi) the IOFPL Section 215E(1)(c) Declaration;
- (vii) the IndoAgri Section 215E(1)(c) Declaration; and
- (viii) the IndoAgri Section 215E(1)(e) Declaration.

Upon receipt by ACRA of the relevant registration documents and the prescribed fees, the Registrar will issue a notice of amalgamation in such form as he may determine. The Amalgamation Proposal will be effective on the date shown in such notice of amalgamation to be issued by the Registrar (the “**Effective Date**”).

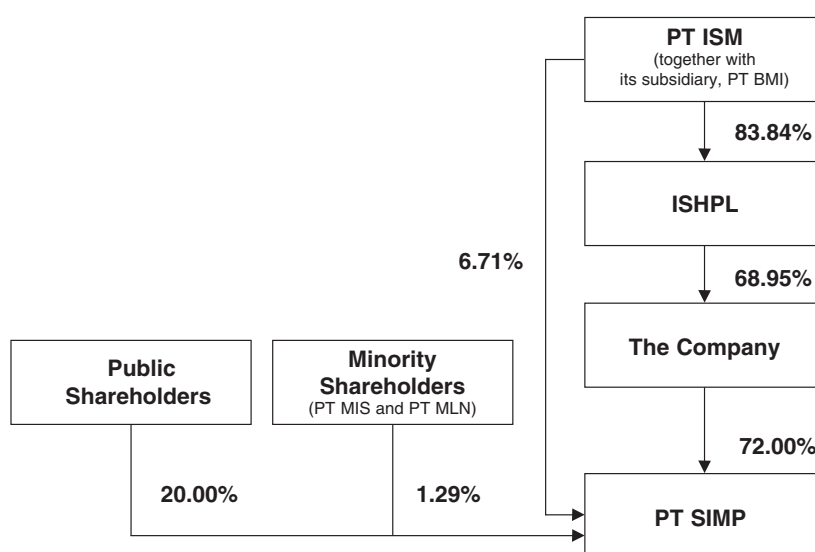
The Registrar will, as soon as practicable after the Effective Date, remove IOFPL from the register and, upon the application of the Amalgamated Company and payment of the prescribed fee, the Registrar shall issue to the Amalgamated Company a certificate of confirmation of the Proposed Amalgamation.

LETTER TO SHAREHOLDERS

3.5 EFFECT OF THE PROPOSED AMALGAMATION

Following the completion of the Proposed Amalgamation, IOFPL and the Company will be amalgamated and will continue as one company, with the Company as the Amalgamated Company. Accordingly, the Company will become the direct 90% shareholder of PT SIMP. The shareholders and their respective shareholdings in the Amalgamated Company would remain the same as that of the Company immediately prior to the Effective Date. Upon completion of the Proposed Amalgamation, the Amalgamated Company and its subsidiaries will continue to carry on the same businesses as was carried on by the IFAR Group.

The structure of the IFAR Group following the IPO and immediately after the completion of the Proposed Amalgamation is as follows:



3.6 EFFECT ON IOFPL

Under Section 215G of the Companies Act, with effect from the Effective Date, the Proposed Amalgamation will have the following effect on the rights and liabilities of IOFPL:

- all the property, rights and privileges of IOFPL shall be transferred to and vest in the Amalgamated Company;
- all the liabilities and obligations of IOFPL shall be transferred to and become the liabilities and obligations of the Amalgamated Company;
- all proceedings pending by or against IOFPL may be continued by or against the Amalgamated Company; and
- any conviction, ruling, order or judgment in favour of or against IOFPL may be enforced by or against the Amalgamated Company. As of the Latest Practicable Date, there is no conviction, ruling, order or judgment in favour of or against IOFPL.

3.7 RATIONALE FOR THE PROPOSED AMALGAMATION

The Proposed Amalgamation is to streamline the corporate structure of the IFAR Group with a view towards enhancing administrative efficiency as well as to reduce the audit, tax and other regulatory compliance costs. It is also undertaken to facilitate the upstreaming of dividends from PT SIMP to the Company (as further described in Section 2.3.3 above).

LETTER TO SHAREHOLDERS

3.8 CERTAIN FINANCIAL EFFECTS OF THE PROPOSED AMALGAMATION

Shareholders should note that the Proposed Amalgamation is an amalgamation of a wholly-owned subsidiary (i.e. IOFPL) with the Company, which will continue as the Amalgamated Company. There is no purchase transaction involved. Accordingly, the Company will adopt the pooling of interest method for combining the financial data of the Amalgamating Companies as follows:

- (i) the assets and liabilities of the Amalgamating Companies are combined at their respective book values and the intercompany balances of the Amalgamating Companies will be eliminated;
- (ii) no goodwill is to be recorded; and
- (iii) the reserves and current year profits of the Amalgamating Companies are added together, which is accounted for using the cost accounting method.

Given the above, the Proposed Amalgamation will not have any financial effect on the share capital, NTA and NAV per Share, EPS or the gearing of the IFAR Group.

4. INTERESTS OF THE DIRECTORS AND CONTROLLING SHAREHOLDERS

Based on information in the Register of Substantial Shareholders and the Register of Directors' Shareholdings as at the Latest Practicable Date, the interests of the Directors and Substantial Shareholders of the Company in the Shares as at the Latest Practicable Date, are as follows:

| | Direct Interest | | Deemed Interest | |
|----------------------------------------------------------------|------------------|-------|------------------|-------|
| | Number of Shares | % * | Number of Shares | % * |
| Directors | | | | |
| Mr Lee Kwong Foo Edward | — | — | — | — |
| Mr Lim Hock San | — | — | — | — |
| Mr Mark Julian Wakeford (“Mr Wakeford”) ⁽¹⁾ | 300,000 | 0.02 | 200,000 | 0.01 |
| Mr Moleonoto Tjang | — | — | — | — |
| Mr Gunadi | — | — | — | — |
| Mr Suaimi Suriady | — | — | — | — |
| Mr Tjhie Tje Fie | — | — | — | — |
| Mr Axton Salim | — | — | — | — |
| Mr Goh Kian Chee | — | — | — | — |
| Mr Hendra Susanto | — | — | — | — |
| Substantial Shareholders | | | | |
| ISHPL | 998,200,000 | 68.95 | — | — |
| PT ISM ⁽²⁾ | — | — | 998,200,000 | 68.95 |
| Lapu-Lapu Holdings Limited (“Lapu-Lapu”) ⁽³⁾ | — | — | 998,200,000 | 68.95 |
| CAB Holdings Limited (“CAB”) ⁽³⁾ | — | — | 998,200,000 | 68.95 |
| First Pacific Company Limited (“First Pacific”) ⁽⁴⁾ | — | — | 998,200,000 | 68.95 |
| FPIL ⁽⁵⁾ | 1,125,344 | 0.08 | 998,200,000 | 68.95 |
| FPIL BVI ⁽⁵⁾ | 882,444 | 0.06 | 998,200,000 | 68.95 |
| Salerni International Limited (“Salerni”) ⁽⁶⁾ | — | — | 1,000,207,788 | 69.09 |
| Anthoni Salim ⁽⁷⁾ | — | — | 1,000,207,788 | 69.09 |

* Percentage is calculated based on total number of issued Shares of 1,447,782,830 of the Company as at the Latest Practicable Date.

Notes:

- (1) Mr Wakeford is deemed to be interested in the 200,000 Shares held by his wife, Ms Tee Foong Sin.
- (2) PT ISM is a holding company of ISHPL with an interest of approximately 83.84% of the total number of issued shares in ISHPL. Accordingly, PT ISM is deemed to be interested in the Shares held by ISHPL.

LETTER TO SHAREHOLDERS

- (3) Lapu-Lapu, together with its associate, CAB, collectively own not less than 20% of the issued share capital of PT ISM. Accordingly, Lapu-Lapu and CAB are deemed to be interested in the Shares held by ISHPL.
- (4) First Pacific owns 100% of the issued share capital of CAB and Lapu-Lapu respectively. Accordingly, First Pacific is deemed to be interested in the Shares held by ISHPL.
- (5) FPIL, together with FPIL BVI, collectively own not less than 20% of the issued share capital of First Pacific. Accordingly, FPIL and FPIL BVI are deemed to be interested in the Shares held by ISHPL.
- (6) Salerni owns more than 50% of the issued share capital of FPIL BVI. Accordingly, Salerni is deemed to be interested in the Shares held by ISHPL, FPIL and FPIL BVI.
- (7) Mr Anthoni Salim owns 100% of the issued share capital of Salerni. Accordingly, Mr Anthoni Salim is deemed interested in the Shares held by ISHPL, FPIL and FPIL BVI.

Save as disclosed in this Circular, none of the Directors or Controlling Shareholders of the Company has any interest, direct or indirect, in the Proposed Amalgamation or the Possible Material Dilution other than through the Company.

5. DIRECTORS' RECOMMENDATION

5.1 THE POSSIBLE MATERIAL DILUTION

The Directors, having considered, amongst other things, the rationale for the IPO and Listing, are of the opinion that the IPO and Listing are in the interests of the Company and, accordingly, recommend that Shareholders **vote in favour** of the ordinary resolution in respect of the Possible Material Dilution pursuant to the IPO and Listing of PT SIMP on the IDX, as set out in the Notice of EGM contained in this Circular.

5.2 THE PROPOSED AMALGAMATION

The Directors, having considered, amongst other things, the rationale, benefits and financial effects of the Proposed Amalgamation, are of the opinion that the Proposed Amalgamation is in the interests of the Company and, accordingly, recommend that Shareholders **vote in favour** of the special resolution in respect of the Proposed Amalgamation set out in the Notice of EGM contained in this Circular.

6. EXTRAORDINARY GENERAL MEETING

An EGM, notice of which is set out in this Circular, will be held at Swissôtel Merchant Court Singapore, Merchant Court Ballroom, Section A, 20 Merchant Road, Singapore 058281 on 28 April 2011 at 4.30 p.m. (or immediately after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 4.00 p.m. on the same day and at the same place, whichever is later) for the purpose of considering and, if thought fit, passing with or without modifications, the resolutions set out in the Notice of EGM.

If you are a Depositor, you shall not be entitled to attend and vote at the EGM unless you are shown to have Shares entered against your name in the Depository Register as at 48 hours before the time appointed for holding the EGM, as certified by CDP to the Company.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote on their behalf should complete, sign and return the attached Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the registered office of the Company at 8 Eu Tong Sen Street, #16-96/97 The Central, Singapore 059818 not less than 48 hours before the time appointed for holding the EGM. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he subsequently so wishes to do so, in place of his proxy.

CPF investors may wish to check with their CPF Approved Nominees on the procedure and deadline for the submission of their written instructions to their CPF Approved Nominees to vote on their behalf. Alternatively, CPF investors who wish to attend the EGM as observers have to submit their requests through their CPF Approved Nominees for registration with the Company Secretary.

LETTER TO SHAREHOLDERS

8. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Directors (including those who have delegated detailed supervision of this Circular) and the Directors collectively and individually accept responsibility for the accuracy of the information given herein, and confirm that, having made all reasonable enquiries, to the best of their knowledge and belief, the facts stated and opinions expressed in this Circular are fair and accurate in all material respects as at the Latest Practicable Date and that there are no material facts the omission of which would make any statement in this Circular misleading in any material respect as at the Latest Practicable Date.

9. FINANCIAL ADVISER'S RESPONSIBILITY STATEMENT

Kim Eng, the financial adviser to the Company in respect of the Possible Material Dilution and the Proposed Amalgamation, confirms that, having made all reasonable enquiries, to the best of its knowledge and belief and based on the information made available to it by the Company, this Circular constitutes full and true disclosure of all material facts with regard to the Possible Material Dilution, the Proposed Amalgamation, the Company and its subsidiaries and that it is not aware of any material facts the omission of which would make any statement herein misleading in any material respect as at the Latest Practicable Date. Where information has been extracted from published documents or publicly available sources, the sole responsibility of Kim Eng has been to ensure that such information has been accurately extracted and reflected in this Circular.

10. CONSENT

Kim Eng has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and all references thereto in the form and context in which it appears in this Circular.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 8 Eu Tong Sen Street, #16-96/97 The Central, Singapore 059818, during normal office hours from the date of this Circular up to and including the date of the EGM:

- (a) the annual report of the Company for FY2010;
- (b) the audited financial statements of PT SIMP for FY2010;
- (c) the audited financial statements of IOFPL for FY2010;
- (d) the letter of consent of Kim Eng referred to in Section 10 above;
- (e) the Memorandum and Articles of Association of the Company; and
- (f) the Memorandum and Articles of Association of IOFPL.

Yours faithfully,
For and on behalf of the Board

Mark Julian Wakeford
Chief Executive Officer and Executive Director
Indofood Agri Resources Ltd.

APPENDIX A

Information on the subsidiaries of PT SIMP as at the Latest Practicable Date is set out below:

| Names of subsidiaries | Place of incorporation / registration and operations | Percentage of equity interest attributable to PT SIMP Group (%) | Principal activities |
|----------------------------------------------------------------|------------------------------------------------------|-----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| IndoInternational Green Energy Resources Pte. Ltd. ("IGER") | Singapore | 60.00 | Investment |
| PT Perusahaan Perkebunan London Sumatra Indonesia Tbk ("LSIP") | Indonesia | 59.48 | Oil palm seed breeding, cultivation of oil palm and rubber plantations, and processing, marketing and selling of the related agricultural produce; and manages and cultivates cocoa, coconut, tea and coffee plantations and processing, marketing and selling of the related agricultural produce |
| PT Lajuperdana Indah ("LPI") | Indonesia | 60.00 | Integrated sugar cane plantations and refinery |
| PT Mitra Inti Sejati Plantation ("MISP") | Indonesia | 100.00 | Oil palm plantation and mill |
| PT Mentari Subur Abadi ("MSA") | Indonesia | 59.99 | Investment and oil palm plantation |
| PT Indoagri Inti Plantation ("IIP") | Indonesia | 99.00 | Investment and management and transportation services |
| PT Kebun Mandiri Sejahtera ("KMS") | Indonesia | 93.44 | Rubber and oil palm plantations |
| PT Mega Citra Perdana ("MCP") | Indonesia | 60.00 | Investment |
| PT Sarana Inti Pratama ("SAIN") | Indonesia | 99.99 | Oil palm seed breeding, investment and research management and technical services |
| Silveron Investments Limited ("SIL") | Mauritius | 100.00 | Investment |
| PT Swadaya Bhakti Negaramas ("SBN") | Indonesia | 60.00 | Oil palm plantation |
| PT Hijaupertiwi Indah Plantations ("HPIP") | Indonesia | 100.00 | Oil palm plantation |
| PT Cangkul Bumisubur ("CBS") | Indonesia | 100.00 | Oil palm plantation |
| PT Cakra Alam Makmur ("CAM") | Indonesia | 100.00 | Bulking station |
| PT Samudera Sejahtera Pratama ("SSP") | Indonesia | 100.00 | Transportation Services |
| PT Manggala Batama Perdana ("MBP") | Indonesia | 100.00 | Non-operating |
| PT Serikat Putra ("SP") | Indonesia | 98.01 | Oil palm plantations and mill |
| PT Gunung Mas Raya ("GMR") | Indonesia | 98.01 | Oil palm plantations and mill |

APPENDIX A

| Names of subsidiaries | Place of incorporation / registration and operations | Percentage of equity interest attributable to PT SIMP Group (%) | Principal activities |
|------------------------------------------|------------------------------------------------------|-----------------------------------------------------------------|---------------------------------|
| PT Cibaliung Tunggal Plantations (“CTP”) | Indonesia | 98.01 | Oil palm plantation |
| PT Indriplant (“IP”) | Indonesia | 98.01 | Oil palm plantation and mill |
| PT Kebun Ganda Prima (“KGP”) | Indonesia | 99.99 | Oil palm plantation |
| Asian Synergies Limited (“ASL”) | British Virgin Islands | 100.00 | Investment |
| PT Citranusa Intisawit (“CNIS”) | Indonesia | 99.99 | Oil palm plantations and mill |
| PT Riau Agrotama Plantation (“RAP”) | Indonesia | 99.99 | Oil palm plantation |
| PT Citra Kalbar Sarana (“CKS”) | Indonesia | 99.99 | Oil palm plantation |
| PT Jake Sarana (“JS”) | Indonesia | 99.90 | Oil palm plantation |
| PT Multi Agro Kencana Prima (“MAKP”) | Indonesia | 47.59 | Rubber processing and trading |
| PT Tani Musi Persada (“TMP”) | Indonesia | 59.44 | Oil palm plantation |
| PT Tani Andalas Sejahtera (“TAS”) | Indonesia | 53.53 | Oil palm plantation |
| PT Sumatra Agri Sejahtera (“SAS”) | Indonesia | 59.44 | Oil palm plantation |
| Lonsum Singapore Pte. Ltd. (“LSP”) | Singapore | 59.48 | Trading and marketing |
| PT Gunta Samba (“GS”) | Indonesia | 59.99 | Oil palm plantations and mill |
| PT Multi Pacific International (“MPI”) | Indonesia | 59.98 | Oil palm plantation |
| PT Agro Subur Permai (“ASP”) | Indonesia | 59.70 | Oil palm plantation |
| Sumatra Bioscience Pte. Ltd. | Singapore | 59.48 | Trading, marketing and research |
| PT Pelangi Intipertiwi (“PIP”) | Indonesia | 100.00 | Oil palm plantation |
| PT Intimegah Bestari Pertiwi (“IBP”) | Indonesia | 100.00 | Oil palm plantation |

NOTICE OF EXTRAORDINARY GENERAL MEETING

INDOFOOD AGRI RESOURCES LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200106551G)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Indofood Agri Resources Ltd. (the “**Company**”) will be held at Swissôtel Merchant Court Singapore, Merchant Court Ballroom, Section A, 20 Merchant Road, Singapore 058281 on Thursday, 28 April 2011 at 4.30 p.m. (or immediately after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 4.00 p.m. on the same day and at the same place, whichever is later) for the purpose of considering and, if thought fit, passing, with or without modifications, Resolution 1 as an ordinary resolution and Resolution 2 as a special resolution:

AS AN ORDINARY RESOLUTION

Resolution 1 : Approval of the Possible Material Dilution

THAT:

- (a) approval be and is hereby given for a material dilution of up to 20% of the Company’s shareholding interest in PT SIMP resulting from the issue by PT SIMP of the Offer Shares in connection with the IPO and Listing; and
- (b) the directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated by this Resolution.

AS A SPECIAL RESOLUTION

Resolution 2 : Approval of the Proposed Amalgamation

THAT contingent upon the passing of Resolution 1 and the completion of the IPO and Listing:

- (1) pursuant to Section 215D(1) of the Companies Act, the Company and Indofood Oil & Fats Pte. Ltd. (Company Registration No. 200613298W) (“**IOFPL**”), a wholly-owned subsidiary of the Company, be amalgamated and shall continue with the Company being the Amalgamated Company with effect from the date to be determined by the directors of the Company (“**Effective Date**”), on the terms that with effect from the Effective Date:-
 - (i) the shares of IOFPL be cancelled without payment or other consideration;
 - (ii) the Memorandum of Association of the Amalgamated Company shall be the same as the Memorandum of Association of the Company;
 - (iii) each of the directors of the Company and IOFPL is satisfied that the Amalgamated Company will be able to pay its debts as they fall due during the period of 12 months immediately after the Effective Date;
 - (iv) the following persons, being the existing directors of the Company, shall be the directors of the Amalgamated Company:
 - (a) Mr Lee Kwong Foo, Edward;
 - (b) Mr Lim Hock San;
 - (c) Mr Mark Julian Wakeford;

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (d) Mr Moleonoto Tjang;
 - (e) Mr Gunadi;
 - (f) Mr Suaimi Suriady;
 - (g) Mr Tjhie Tje Fie;
 - (h) Mr Axton Salim;
 - (i) Mr Goh Kian Chee; and
 - (j) Mr Hendra Susanto;
- (v) all the property, rights and privileges of IOFPL shall be transferred to and vest in the Amalgamated Company, at their respective book values appearing in the audited accounts of IOFPL as of the Effective Date;
- (vi) all the liabilities and obligations of IOFPL shall be transferred to and become the liabilities and obligations of the Amalgamated Company;
- (vii) all proceedings pending by or against IOFPL may be continued by or against the Amalgamated Company; and
- (viii) any conviction, ruling, order or judgment in favour of or against IOFPL may be enforced by or against the Amalgamated Company; and
- (2) the directors of the Company be and are hereby authorised to exercise such discretions, to complete and do all such acts and things, including without limitation, to sign, seal and execute and deliver all such documents and deeds as they may in their absolute discretion deem necessary, expedient or desirable in connection with and/or for the purpose of effecting the Proposed Amalgamation between the Company and IOFPL in accordance with the provisions of the Companies Act.

All capitalised terms used in this Notice which are not defined herein shall unless the context otherwise requires have the same meanings ascribed to them in the Company's Circular to Shareholders dated 5 April 2011 (including supplements and modifications thereto).

BY ORDER OF THE BOARD
Indofood Agri Resources Ltd.

Mark Julian Wakeford
Chief Executive Officer and Executive Director
Singapore

5 April 2011

Notes:

- (1) A member of the Company entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- (2) The instrument or form appointing a proxy, duly executed, must be deposited at the registered office of the Company at 8 Eu Tong Sen Street, #16-96/97 The Central, Singapore 059818 not less than 48 hours before the time appointed for holding the Extraordinary General Meeting in order for the proxy to be entitled to attend and vote at the Extraordinary General Meeting.
- (3) In connection with the IPO and Listing, the Company also needs to obtain its Shareholders' approval for the Proposed Amalgamation by way of a special resolution.

PROXY FORM

INDOFOOD AGRI RESOURCES LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200106551G)

Important

1. For investors who have used their CPF monies to buy Indofood Agri Resources Ltd. shares, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

*I/We _____ (Name)

of _____ (Address)

being a *member/members of **Indofood Agri Resources Ltd.** (the “**Company**”), hereby appoint:

| Name | Address | *NRIC/Passport Number | Proportion of Shareholdings | |
|------|---------|-----------------------|-----------------------------|---|
| | | | No. of Shares | % |
| | | | | |

*and/or

| Name | Address | *NRIC/Passport Number | Proportion of Shareholdings | |
|------|---------|-----------------------|-----------------------------|---|
| | | | No. of Shares | % |
| | | | | |

or failing *him/them, the Chairman of the Meeting, as *my/our *proxy/proxies to vote for *me/us on *my/our behalf, and if necessary, to demand a poll, at the Extraordinary General Meeting of the Company to be held at Swissôtel Merchant Court Singapore, Merchant Court Ballroom, Section A, 20 Merchant Road, Singapore 058281 on Thursday, 28 April 2011 at 4.30 p.m. (or immediately after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 4.00 p.m. on the same day and at the same place, whichever is later), and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against the Ordinary Resolution and the Special Resolution to be proposed at the Extraordinary General Meeting as indicated with an “X” in the spaces provided hereunder. If no specific directions as to voting are given, the *proxy/proxies will vote or abstain from voting at *his/their discretion.

| | To be used on a show of hands | | To be used in the event of a poll | |
|--------------------------------------------|-------------------------------|------------------------|-----------------------------------|-------------------------------------|
| | For ⁽¹⁾ | Against ⁽¹⁾ | No. of votes for ⁽²⁾ | No. of votes against ⁽²⁾ |
| Ordinary Resolution | | | | |
| Approval of the Possible Material Dilution | | | | |
| Special Resolution | | | | |
| Approval of the Proposed Amalgamation | | | | |

(1) Please indicate your vote “For” or “Against”.

(2) If you wish to use all your votes “For” or “Against”, please indicate with an “X” within the box provided. Otherwise, please indicate the number of votes.

All capitalised terms used in this Proxy Form which are not defined herein shall have the same meanings ascribed to them in the Circular dated 5 April 2011 to Shareholders.

Dated this _____ day of _____ 2011

| | |
|---------------------|-----------------------------|
| | Total Number of Shares Held |
| CDP Register | |
| Register of Members | |

Signature(s) or Common Seal of member(s)

* Delete accordingly

IMPORTANT: Please read notes overleaf



PROXY FORM

Proxy Notes:

1. A member of the Company entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint not more than two proxies to attend and vote in his stead. Such proxy need not be a member of the Company.
2. Where a member of the Company appoints two proxies, he shall specify the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each such proxy. If no such proportion or number is specified, the first-named proxy may be treated as representing 100% of the shareholdings and any second-named proxy as an alternate to the first-named proxy.
3. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Extraordinary General Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Extraordinary General Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the Extraordinary General Meeting.
4. This instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the power of attorney or other authority or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
5. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Extraordinary General Meeting, in accordance with its Articles of Association and Section 179 of the Companies Act, Chapter 50 of Singapore.
6. This instrument appointing a proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or a notorially certified copy thereof, must be deposited at the registered office of the Company at 8 Eu Tong Sen Street, #16-96/97 The Central, Singapore 059818 not less than 48 hours before the time appointed for holding the Extraordinary General Meeting.
7. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act Chapter 50 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.
8. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register 48 hours before the time appointed for holding the Extraordinary General Meeting as certified by The Central Depository (Pte) Limited to the Company.
9. A Depositor shall not be regarded as a member of the Company entitled to attend the Extraordinary General Meeting and to speak and vote thereat unless his name appears on the Depository Register as at 48 hours before the time appointed for holding the Extraordinary General Meeting.

This page has been intentionally left blank.

