



Increase in shareholdings in subsidiaries

The Board of Directors of Kencana Agri Limited (the “Company”) wishes to announce the increase of the Company’s shareholdings in the following Indonesian subsidiaries:

- a) from 99.99% to 100% in PT Sawit Permai Lestari, PT Alamraya Kencana Mas, PT Kencana Agro Jaya, PT Sawindo Kencana, PT Sawit Tiara Nusa, PT Delta Subur Permai, PT Wira Palm Mandiri, PT Agro Inti Kencanamas, PT Agri Eastborneo Kencana, PT Agro Sawit Mas Lestari, PT Agro Jaya Tirta Kencana, PT Sawit Kaltim Lestari, PT Sawindo Cemerlang, PT Wira Mas Permai, PT Wira Sawit Mandiri, PT Indotrust, PT Pelayaran Asia Marine, PT Belitung Energy, and PT Listrindo Kencana;
- b) from 99.90 % to 100% in PT Agro Mas Lestari, PT Langgeng Nusa Makmur and PT Palm Makmur Sentosa;
- c) from 99.97 % to 100% in PT Bumi Permai Sentosa; and
- d) from 95% to 100% in PT Cahaya Permata Gemilang.

The increase is a result of the Company’s acquisition of the remaining shares in these subsidiaries from individual shareholders. The total cash consideration for the acquisition is equivalent to USD 105,794.85 arrived at on a willing-buyer, willing-seller basis. The acquisition is part of the Group’s reorganization to streamline its corporate structure.

The acquisition is funded through internal resources and is not expected to have any significant effect on the consolidated net tangible assets and earnings per share of the Company and the Group for the current financial year.

Apart from Mr Henry Maknawi, the CEO and Chairman and Ms Ratna Maknawi, the Deputy CEO, who are one of the individual shareholders as mentioned above, none of the remaining Directors, controlling shareholders or substantial shareholders of the Company has any interest, direct or indirect, in the above transaction other than through their shareholdings in the Company.

By Order of the Board

Ratna Maknawi
Deputy Chief Executive Officer

10 February 2016