

KENCANA AGRI LIMITED
(Registration Number: 200717793E)



INCREASE IN SHARE CAPITAL OF SUBSIDIARIES

The Board of Directors of Kencana Agri Limited (the “Company”) wishes to announce that the Company’s wholly owned subsidiary, Kencana Plantations Pte Ltd (“KP”), has subscribed for an additional 2,391,300 shares in its subsidiary, PT Wira Palm Mandiri (“WP”), for a cash consideration of IDR 239,130,000,000.

WP in turn has subscribed for additional shares in its subsidiaries amounting to 107,166 shares in PT Agro Inti Kencanamas (“AI”) and 132,000 shares in PT Agrojaya Tirta Kencana (“AT”) for a cash consideration of IDR 107,166,000,000 and IDR 132,000,000,000 respectively.

The aforesaid subscriptions of shares are funded by the proceeds from the disposal of the joint venture as announced earlier in 2Q2017. The transactions are not expected to have any material impact on the net tangible assets per share and earnings per share of the Group for the current financial year ending 31 December 2017.

The rationale for the increases in share capital is to strengthen the capital structures of WP, AI and AT and for working capital purposes.

Apart from Mr Henry Maknawi, the Chairman and CEO who is the President Commissioner of WP; Tengku Alwin Aziz, the Vice Chairman, who is a Commissioner of AT; and Ms Ratna Maknawi, the Deputy CEO, who is a Director of WP and the President Commissioner of AI and AT; none of the remaining Directors, controlling shareholders or substantial shareholders of the Company has any interest, direct or indirect, in the above transactions.

By Order of the Board

Ratna Maknawi
Deputy Chief Executive Officer

11 September 2017