

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **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)

### **PROPOSED REDUCTION OF SHARE PREMIUM AND TRANSFER TO THE CONTRIBUTED SURPLUS ACCOUNT**

The Board proposes to reallocate its share premium to distributable reserve by way of reduction of the entire amount standing to the credit of the Share Premium Account to nil and transfer of the credit amount arising from the Share Premium Reduction to the Contributed Surplus Account.

The Share Premium Reduction and the subsequent transfer of the credit amount arising therefrom to the Contributed Surplus Account will increase the distributable reserves of the Company, thereby giving the Company greater flexibility in relation to its distribution policy in the future.

The Share Premium Reduction is conditional upon, among other things, the passing of a special resolution to approve the Share Premium Reduction at the AGM.

A circular containing, among other things, further details of the Share Premium Reduction and a notice convening the AGM will be despatched to the Shareholders as soon as practicable in accordance with the Listing Rules.

### **PROPOSED REDUCTION OF SHARE PREMIUM AND TRANSFER TO THE CONTRIBUTED SURPLUS ACCOUNT**

The Board of the Company proposes to reallocate its share premium to distributable reserve by way of reduction of the entire amount standing to the credit of the Share Premium Account to nil and transfer of the credit amount arising from the Share Premium Reduction to the Contributed Surplus Account.

As at 31 December 2015, based on the audited financial statements of the Company, the amount standing to the credit of the Share Premium Account was approximately US\$1,779.7 million (equivalent to approximately HK\$13,881.7 million). Subject to the conditions set out in the section headed “Conditions”, it is proposed that:

- (a) the entire amount standing to the credit of the Share Premium Account as at the date of the AGM be reduced to nil in accordance with, among other things, Section 46 of the Companies Act and Bye-law 62(B) of the Bye-laws of the Company; and
- (b) the credit amount arising from the Share Premium Reduction be transferred to the Contributed Surplus Account.

### **REASONS FOR THE SHARE PREMIUM REDUCTION**

The Share Premium Reduction and the subsequent transfer of the credit amount arising therefrom to the Contributed Surplus Account will increase the distributable reserves of the Company, thereby giving the Company greater flexibility in relation to its distribution policy in the future. The increased credit balance in the Contributed Surplus Account may be used for distribution in the future if and when the Board considers appropriate and for such other purposes as allowed under the Companies Act. The Board considers that it is in the best interests of the Company and its Shareholders as a whole to implement the Share Premium Reduction.

### **EFFECTS OF THE SHARE PREMIUM REDUCTION**

The Share Premium Reduction does not involve any reduction in the authorized or issued share capital of the Company, nor does it involve any reduction in the nominal value of the Shares or trading arrangements concerning the Shares.

Save for the expenses to be incurred in relation to the Share Premium Reduction, the Board considers that the implementation of the Share Premium Reduction will not, in itself, have a material adverse effect on the underlying assets, business operations, management, financial position or total Shareholders’ equity of the Company or the proportionate interests of the Shareholders in the underlying assets of the Company. There are no reasonable grounds for believing that the Company is, or after the Share Premium Reduction would be, unable to pay its liabilities as they become due.

## CONDITIONS

The Share Premium Reduction is conditional upon:

- (a) the passing of a special resolution approving the Share Premium Reduction by Shareholders at the AGM; and
- (b) compliance with Section 46(2) of the Companies Act, including but not limited to (i) the publication of a notice in relation to the Share Premium Reduction in an appointed newspaper in Bermuda on a date not more than 30 days and not less than 15 days before the date as from which the Share Premium Reduction is to take effect (the “**Effective Date**”), and (ii) the Board being satisfied that on the Effective Date, there are no reasonable grounds for believing that the Company is, or after the Share Premium Reduction would be, unable to pay its liabilities as they become due.

Assuming the above conditions are fulfilled, it is expected that the Share Premium Reduction will become effective upon passing of the special resolution on the date of the AGM, at which the relevant special resolution approving the Share Premium Reduction will be considered and, if thought fit, passed by the Shareholders.

## GENERAL

A circular containing, among other things, further details of the Share Premium Reduction together with a notice convening the AGM will be despatched to the Shareholders as soon as practicable in accordance with the Listing Rules. As none of the Shareholders is interested in the Share Premium Reduction, no Shareholder is required to abstain from voting on the resolution proposed to consider and approve the Share Premium Reduction.

## DEFINITIONS

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

- |            |  |
|------------|--|
| “AGM”      | the 2016 annual general meeting of the Company to be held on Monday, 6 June 2016 at 2:30 p.m. at The Stork-Peacock Room, 1st Floor, Mandarin Oriental Hong Kong, 5 Connaught Road Central, Hong Kong and convened for the purpose of considering, among other things, and if thought fit, approving the Share Premium Reduction; |
| “Board”    | the board of directors of the Company;   |
| “Bye-laws” | the Bye-laws of the Company, as amended from time to time;   |

“Companies Act”	the Companies Act 1981 of Bermuda (as amended from time to time);
“Company”	First Pacific Company Limited, an exempted company incorporated in Bermuda with limited liability, and having its shares listed on the Stock Exchange;
“Contributed Surplus Account”	the contributed surplus account of the Company;
“Director(s)”	the director(s) of the Company from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Share Premium Account”	the share premium account of the Company;
“Share Premium Reduction”	the proposed reduction of the entire amount standing to the credit of the Share Premium Account as at the date of the AGM to nil;
“Shareholders”	holders of Shares from time to time;
“Share(s)”	ordinary share(s) of US\$0.01 each of the Company and any shares resulting from any subsequent consolidation, sub-division or reclassification of those ordinary shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“U.S.”	the United States of America (including its territories and dependencies, any state of the United States of America and the District of Columbia); and
“US\$”	U.S. dollars, the lawful currency of the U.S.

By Order of the Board  
**First Pacific Company Limited**  
**Nancy L.M. Li**  
*Company Secretary*

Hong Kong, 28 April, 2016

*Unless stated otherwise, translations of quoted currency values are made on an approximate basis and at the rate of US\$1.00 = HK\$7.8. Figures expressed have been rounded.*

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  
Napoleon L. Nazareno

***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