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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)

CONNECTED TRANSACTION

ACQUISITION OF SHARES IN TOLLWAYS MANAGEMENT CORPORATION BY METRO PACIFIC TOLLWAYS DEVELOPMENT CORPORATION

ACQUISITION OF TMC SHARES BY MPTDC FROM EGIS

On 27 December 2016, MPTDC entered into the 14% SPA with Egis, pursuant to which Egis agreed to sell, and MPTDC agreed to purchase, the 14% TMC Shares for a cash consideration of Php884.7 million (equivalent to approximately US\$17.6 million or HK\$137.5 million) (the “**14% Acquisition**”). The 14% Acquisition completed on 28 December 2016 and beneficial ownership of the 14% TMC Shares vested in MPTDC at that time.

On 27 March 2017, MPTDC entered into the 7% SPA with Egis, pursuant to which Egis agreed to sell, and MPTDC agreed to purchase, the 7% TMC Shares for a cash consideration of Php442.3 million (equivalent to approximately US\$8.8 million or HK\$68.7 million) (the “**7% Acquisition**”). The 7% Acquisition is expected to be completed on or around 4 April 2017, whereupon beneficial ownership of the 7% TMC Shares will be vested in MPTDC.

Prior to the 14% Acquisition, MPTDC owned 174,800 TMC Shares, representing approximately 46.0% of the issued share capital of TMC, and Egis owned 129,200 TMC Shares, representing approximately 34.0% of the issued share capital of TMC. With effect from completion of the 14% Acquisition, beneficial ownership over the 14% TMC Shares vested in MPTDC, such that MPTDC beneficially owned 228,000 TMC Shares, representing approximately 60.0% of the issued share capital of TMC.

With effect from completion of the 7% Acquisition, MPTDC will beneficially own 254,600 TMC Shares, representing approximately 67.0% of the issued share capital of TMC.

Each of the applicable percentage ratios in respect of the 14% Acquisition and the 7% Acquisition are less than 1%. The 14% Acquisition and the 7% Acquisition are transactions between persons who are connected persons of the Company only at the subsidiary level and are on normal commercial terms. Therefore, the 14% Acquisition and the 7% Acquisition are individually exempt from the announcement, reporting and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. However, as the 7% SPA was entered into within 12 months after the 14% Acquisition was completed, the Company has aggregated the 14% Acquisition and the 7% Acquisition and treated them as if they were one connected transaction in accordance with Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of the Aggregated Acquisitions is more than 1% but less than 5%, the Aggregated Acquisitions are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but not the independent shareholders' approval requirements.

The directors (including the independent non-executive directors) of the Company consider that the 14% Acquisition and the 7% Acquisition, although not in the ordinary and usual course of business of the Group, are on normal commercial terms and that the terms of the 14% Acquisition and the 7% Acquisition are fair and reasonable and in the interests of the Company and its shareholders as a whole.

14% ACQUISITION

On 27 December 2016, MPTDC entered into the 14% SPA with Egis, pursuant to which Egis agreed to sell, and MPTDC agreed to purchase, the 14% TMC Shares for a cash consideration of Php884.7 million (equivalent to approximately US\$17.6 million or HK\$137.5 million). The 14% Acquisition completed on 28 December 2016 and beneficial ownership of the 14% TMC Shares vested in MPTDC at that time.

The salient terms and features of the 14% SPA and the 14% Acquisition are as follows:

Date of 14% SPA: 27 December 2016.

Parties: (i) Purchaser: MPTDC
(ii) Seller: Egis

Assets acquired by purchaser: 53,200 TMC Shares, representing 14% of the issued share capital of TMC.

Consideration and method of payment: Php884.7 million (equivalent to approximately US\$17.6 million or HK\$137.5 million).

The consideration for the 14% Acquisition was paid by MPTDC to Egis in cash upon completion of the 14% Acquisition on 28 December 2016.

Date of Completion: 28 December 2016.

7% ACQUISITION

On 27 March 2017, MPTDC entered into the 7% SPA with Egis, pursuant to which Egis agreed to sell, and MPTDC agreed to purchase, the 7% TMC Shares for a cash consideration of Php442.3 million (equivalent to approximately US\$8.8 million or HK\$68.7 million).

The salient terms and features of the 7% SPA and the 7% Acquisition are as follows:

Date of 7% SPA: 27 March 2017.

Parties: (i) Purchaser: MPTDC
(ii) Seller: Egis

Assets to be acquired by purchaser: 26,600 TMC Shares, representing 7% of the issued share capital of TMC.

Consideration and method of payment: Php442.3 million (equivalent to approximately US\$8.8 million or HK\$68.7 million).

The consideration for the 7% Acquisition is payable by MPTDC to Egis in cash upon completion of the 7% Acquisition.

Date of Completion: Expected on or around 4 April 2017.

Conditions to Completion: Customary conditions such as the representations and warranties given by MPTDC and Egis in the 7% SPA being true and correct and all relevant government approvals having been obtained and remaining in full force.

BASIS OF THE CONSIDERATION FOR THE AGGREGATED ACQUISITIONS

The consideration paid for the 14% TMC Shares under the 14% Acquisition and the consideration payable for the 7% TMC Shares under the 7% Acquisition were determined after arms-length negotiations with reference to a business review and financial analysis of TMC.

REASONS FOR AND BENEFITS OF THE AGGREGATED ACQUISITIONS

The 14% Acquisition was implemented in order to allow MPTDC to acquire title to the majority of the outstanding capital stock of TMC and thus confirm MPTDC's existing position as the controlling shareholder of TMC.

The 7% Acquisition was implemented to further increase the ownership of MPTDC in TMC.

The Company believes that TMC's business in the operation and maintenance of the North Luzon Expressway and the Subic-Clark-Tarlac Expressway, its facilities, interchanges and related works will generate positive returns for the Group and therefore increasing the Group's shareholding and, thereby its entitlement to such returns, is beneficial to the Group, the Company and its shareholders.

SHAREHOLDINGS IN TMC

Prior to the 14% Acquisition, MPTDC owned 174,800 TMC Shares, representing approximately 46.0% of the issued share capital of TMC, and Egis owned 129,200 TMC Shares, representing approximately 34.0% of the issued share capital of TMC. With effect from completion of the 14% Acquisition, beneficial ownership over the 14% TMC Shares vested in MPTDC, such that MPTDC beneficially owned 228,000 TMC Shares, representing approximately 60.0% of the issued share capital of TMC. With effect from completion of the 7% Acquisition, MPTDC will beneficially own 254,600 TMC Shares, representing approximately 67.0% of the issued share capital of TMC.

INFORMATION ABOUT THE COMPANY, MPTDC, EGIS AND TMC

The Company is a Hong Kong-based investment management and holding company with operations located in Asia-Pacific. Its principal business interests relate to telecommunications, consumer food products, infrastructure and natural resources.

MPTDC is engaged in general construction and contracting business in all its phases, including construction, repair, improvement and engagement in any works upon roads, highway, bridges, wharves, piers, waterworks, railways, power plants and other manufacturing and industrial plants, among others.

Egis is a holding company which buys and holds shares of other companies, either by subscribing to the unissued shares of the capital stock in public or private offerings or by purchasing the shares of other stockholders by way of assignment in private sale, among others. Egis was an original incorporator of TMC and subscribed for a total of 129,200 TMC Shares with a par value of Php100 (equivalent to approximately US\$2.0 or HK\$15.5) per TMC Share.

TMC is engaged in the operation and maintenance of the North Luzon Expressway and the Subic-Clark-Tarlac Expressway, its facilities, interchanges and related works, among others.

For the financial year ended 31 December 2015, TMC's audited profits before taxation were approximately Php827 million (equivalent to approximately US\$18.1 million or HK\$141.4 million) and TMC's audited profits after taxation were approximately Php637 million (equivalent to approximately US\$14.0 million or HK\$108.9 million). For the financial year ended 31 December 2014, TMC's audited profits before taxation were approximately Php837 million (equivalent to approximately US\$18.8 million or HK\$146.9 million) and TMC's audited profits after taxation were approximately Php626 million (equivalent to approximately US\$14.1 million or HK\$109.9 million). As at 31 December 2015, TMC's audited net asset value was approximately Php353 million (equivalent to approximately US\$7.5 million or HK\$58.5 million).

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, MPTDC is a subsidiary of the Group.

As at the date of this announcement, Egis Investment owns NLEX as to 10%. Egis Investment is in turn owned as to approximately 54% by Egis and as to approximately 46% by MPTDC. Accordingly, Egis and Egis Investment are able to control the exercise of 10% of the voting power of NLEX at a general meeting of NLEX and are therefore substantial shareholders of NLEX. The Group has an approximately 55.0% voting interest and an approximately 42.0% economic interest in MPIC, which in turn owns MPTC as to approximately 99.9%. MPTC wholly owns MPTDC, which in turn directly and indirectly has an aggregate effective interest in approximately 75.6% of the total number of NLEX Common Shares in issue. Accordingly, NLEX is a subsidiary of the Group and Egis is a substantial shareholder of a subsidiary of the Group. Egis is therefore a connected person of the Company.

Each of the applicable percentage ratios in respect of the 14% Acquisition and the 7% Acquisition are less than 1%. The 14% Acquisition and the 7% Acquisition are transactions between persons who are connected persons of the Company only at the subsidiary level and are on normal commercial terms. Therefore, the 14% Acquisition and the 7% Acquisition are individually exempt from the announcement, reporting and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. However, as the 7% SPA was entered into within 12 months after the 14% Acquisition was completed, the Company has aggregated the 14% Acquisition and the 7% Acquisition and treated them as if they were one connected transaction in accordance with Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of the Aggregated Acquisitions is more than 1% but less than 5%, the Aggregated Acquisitions are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but not the independent shareholders' approval requirements.

The directors (including the independent non-executive directors) of the Company consider that the 14% Acquisition and the 7% Acquisition, although not in the ordinary and usual course of business of the Group, are on normal commercial terms and that the terms of the 14% Acquisition and the 7% Acquisition are fair and reasonable and in the interests of the Company and its shareholders as a whole.

None of the directors of the Company has a material interest in the 14% Acquisition or the 7% Acquisition. Accordingly, no director is required to abstain from voting on approvals of the 14% Acquisition or of the 7% Acquisition.

DEFINITIONS

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

“7% Acquisition”	has the meaning given to such term in the section headed “ACQUISITION OF TMC SHARES BY MPTDC FROM EGIS” in the introductory box of this announcement on page 1 of this announcement above;
“7% SPA”	the share sale and purchase agreement dated 27 March 2017 between Egis and MPTDC in relation to the 7% Acquisition;
“7% TMC Shares”	26,600 TMC Shares the subject of the 7% Acquisition;
“14% Acquisition”	has the meaning given to such term in the section headed “ACQUISITION OF TMC SHARES BY MPTDC FROM EGIS” in the introductory box of this announcement on page 1 of this announcement above;
“14% SPA”	the share sale and purchase agreement dated 27 December 2016 between Egis and MPTDC in relation to the 14% Acquisition;
“14% TMC Shares”	53,200 TMC Shares the subject of the 14% Acquisition;
“Aggregated Acquisitions”	together, the 14% Acquisition and the 7% Acquisition;
“Company”	First Pacific Company Limited, an exempted company incorporated in Bermuda and having its shares listed on The Stock Exchange of Hong Kong Limited;
“Egis”	Egis Road Operation S.A., a company incorporated in France;
“Egis Investment”	Egis Investment Partners Philippines, Inc., a company incorporated in the Philippines;
“Group”	the Company, and/or its subsidiaries, and/or its Philippine affiliates, from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;

“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 of Hong Kong Limited;
“MPIC”	Metro Pacific Investments Corporation, a company incorporated in the Philippines and having its shares listed on the Philippine Stock Exchange;
“MPTC”	Metro Pacific Tollways Corporation, a company incorporated in the Philippines;
“MPTDC”	Metro Pacific Tollways Development Corporation, a company incorporated in the Philippines;
“NLEX”	NLEX Corporation, a company incorporated in the Philippines, being a subsidiary of the Group, and formerly known as Manila North Tollways Corporation;
“NLEX Common Shares”	shares of common stock of Php100 (equivalent to approximately US\$2.0 or HK\$15.5) each in NLEX;
“Php”	Philippine Peso, the lawful currency of the Philippines;
“TMC”	Tollways Management Corporation, a company incorporated in the Philippines;
“TMC Share(s)”	share(s) of common stock of Php100 (equivalent to approximately US\$2.0 or HK\$15.5) each in TMC;
“US\$”	United States dollars, the lawful currency of the United States of America; and
“%”	per cent.

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

Hong Kong, 28 March 2017

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 = Php50.2. Percentages and figures expressed have been rounded.

As at the date of this announcement, the board of directors of the Company 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
Ambassador Albert F. del Rosario

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