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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: www.firstpacific.com

(Stock Code: 00142)

ANNOUNCEMENT MADE BY PLDT INC.

IN RELATION TO ITS UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2019

This Announcement is made by First Pacific Company Limited (“First Pacific” or the “Company”) pursuant to the requirements of Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HKEX”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) to provide shareholders of First Pacific and the public with the unaudited consolidated financial results of PLDT Inc. (“PLDT”), a major operating associate of the Company, for the six months ended 30 June 2019.

Summary

On 8 August 2019, the board of directors of PLDT approved the release of its unaudited consolidated financial results for the six months ended 30 June 2019. PLDT’s unaudited consolidated financial results have been submitted to the PSE and the NYSE by way of disclosure on 8 August 2019, and have also been disclosed as the Company’s Overseas Regulatory Announcement on the websites of the HKEX and the Company.

PLDT, a major operating associate of First Pacific, is a company incorporated in the Philippines, whose shares are listed on the Philippine Stock Exchange, Inc. (“PSE”). In addition, PLDT’s American Depositary Receipts are listed on the New York Stock Exchange, Inc. (“NYSE”). First Pacific and its Philippine affiliates have a 25.6% attributable economic interest in PLDT. On 8 August 2019, the board of directors of PLDT approved the release of its unaudited consolidated financial results for the six months ended 30 June 2019. PLDT’s unaudited consolidated financial results have been submitted to the PSE and the NYSE by way of disclosure on 8 August 2019, and have also been disclosed as the Company’s Overseas Regulatory Announcement on the websites of the HKEX and the Company. The unaudited consolidated financial statements have been prepared in conformity with the Philippine Financial Reporting Standards and are presented in Philippine Peso. PLDT’s unaudited Consolidated Income Statements for the six months ended 30 June 2019 and 2018, as well as the unaudited Consolidated Statement of Financial Position as at 30 June 2019 and audited Consolidated Statement of Financial Position as at 31 December 2018 are provided below:

PLDT INC. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2019 AND 2018

(in million pesos, except earnings per common share amounts which are in pesos)

	2019	2018
REVENUES		
Service revenues	80,410	76,361
Non-service revenues	3,628	5,878
	<u>84,038</u>	<u>82,239</u>
EXPENSES		
Selling, general and administrative expenses	32,063	35,252
Depreciation and amortization	18,903	17,889
Cost of sales and services	6,302	7,510
Interconnection costs	3,755	3,908
Asset impairment	2,644	2,812
	<u>63,667</u>	<u>67,371</u>
	20,371	14,868
OTHER INCOME (EXPENSES) – NET	<u>(3,300)</u>	<u>694</u>
INCOME BEFORE INCOME TAX	17,071	15,562
PROVISION FOR INCOME TAX	4,836	3,757
NET INCOME	<u>12,235</u>	<u>11,805</u>
ATTRIBUTABLE TO:		
Equity holders of PLDT	12,207	11,762
Noncontrolling interests	28	43
	<u>12,235</u>	<u>11,805</u>
Earnings Per Share Attributable to Common Equity Holders of PLDT		
Basic	56.37	54.31
Diluted	56.37	54.31

PLDT INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2019 AND 31 DECEMBER 2018
(in million pesos)

	30 June 2019 (Unaudited)	31 December 2018 (Audited)
ASSETS		
Noncurrent Assets		
Property and equipment	211,957	195,964
Right-of-use assets	20,220	–
Investments in associates and joint ventures	54,721	55,427
Financial assets at fair value through profit or loss	4,442	4,763
Debt instruments at amortized cost		
– net of current portion	–	150
Investment properties	777	777
Goodwill and intangible assets	68,191	68,583
Deferred income tax assets – net	25,682	27,697
Derivative financial assets – net of current portion	12	140
Prepayments – net of current portion	35,098	23,338
Financial assets at fair value through other		
comprehensive income – net of current portion	160	2,749
Contract assets – net of current portion	756	1,083
Other financial assets – net of current portion	2,838	2,275
Other non-financial assets – net of current portion	267	230
Total Noncurrent Assets	<u>425,121</u>	<u>383,176</u>
Current Assets		
Cash and cash equivalents	32,101	51,654
Short-term investments	28	1,165
Trade and other receivables	20,841	24,056
Inventories and supplies	2,645	2,878
Current portion of contract assets	2,142	2,185
Current portion of derivative financial assets	57	183
Current portion debt instruments at amortized cost	150	–
Current portion of prepayments	8,319	8,380
Current portion of financial assets at fair value		
through other comprehensive income	2,645	1,604
Current portion of other financial assets	7,099	7,008
Current portion of other non-financial assets	639	461
Total Current Assets	<u>76,666</u>	<u>99,574</u>
TOTAL ASSETS	<u><u>501,787</u></u>	<u><u>482,750</u></u>

PLDT INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT 30 JUNE 2019 AND 31 DECEMBER 2018
(in million pesos)

	30 June 2019 (Unaudited)	31 December 2018 (Audited)
EQUITY AND LIABILITIES		
Equity		
Non-voting serial preferred stock	360	360
Voting preferred stock	150	150
Common stock	1,093	1,093
Treasury stock	(6,505)	(6,505)
Treasury shares under employee benefit trust	(394)	(854)
Capital in excess of par value	130,526	130,526
Other equity reserves	431	697
Retained earnings	15,026	12,081
Other comprehensive loss	(26,313)	(25,190)
Total Equity Attributable to Equity Holders of PLDT	114,374	112,358
Noncontrolling interests	4,195	4,308
TOTAL EQUITY	118,569	116,666
Noncurrent Liabilities		
Interest-bearing financial liabilities		
– net of current portion	157,651	155,835
Lease liabilities – net of current portion	17,757	–
Deferred income tax liabilities – net	2,784	2,981
Derivative financial liabilities – net of current portion	6	–
Customers’ deposits	2,199	2,194
Pension and other employee benefits	6,223	7,182
Deferred credits and other noncurrent liabilities	4,822	5,284
Total Noncurrent Liabilities	191,442	173,476
Current Liabilities		
Accounts payable	72,897	74,610
Accrued expenses and other current liabilities	96,772	95,724
Current portion of interest-bearing financial liabilities	15,192	20,441
Current portion of lease liabilities	4,601	–
Dividends payable	1,565	1,533
Current portion of derivative financial liabilities	205	80
Income tax payable	544	220
Total Current Liabilities	191,776	192,608
TOTAL LIABILITIES	383,218	366,084
TOTAL EQUITY AND LIABILITIES	501,787	482,750

GENERAL

Shareholders should note that the above unaudited and audited financial results pertain only to PLDT and not to First Pacific itself.

The above information only refers to certain sections of PLDT's disclosure and shareholders should refer to PLDT's original filing submitted to the PSE (<https://www.pse.com.ph>) and the NYSE (<https://www.nyse.com>), as well as disclosed as the Company's Overseas Regulatory Announcement on the websites of the HKEX and the Company on 8 August 2019.

By Order of the Board
First Pacific Company Limited
Manuel V. Pangilinan
Managing Director and Chief Executive Officer

Hong Kong, 8 August 2019

As at the date of this announcement, the Board of the Directors of the Company comprises the following Directors:

Executive Directors:

Manuel V. Pangilinan, *Managing Director and Chief Executive Officer*
Christopher H. Young, *Chief Financial Officer*

Non-executive Directors:

Anthoni Salim, *Chairman*
Benny S. Santoso
Tedy Djuhar

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