

*The Stock Exchange of Hong Kong Limited takes no responsibility for the content of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the content of this announcement.*



## **FIRST PACIFIC COMPANY LIMITED**

*(Incorporated in Bermuda with limited liability)*

### **ANNOUNCEMENT**

#### **EXTENSION OF MATURITY DATE FOR REPAYMENT OF SHORT TERM LOAN FACILITY ADVANCED BY FIRST PACIFIC COMPANY LIMITED TO METRO PACIFIC CORPORATION**

First Pacific announces that effective 31st October, 2001, Larouge, First Pacific's wholly-owned subsidiary, agreed to extend to 31st December, 2001, the final maturity date for repayment of the Loan advanced by Larouge to MPC under the Facility Agreement. On 3rd October, 2001, First Pacific announced that MPC was reviewing its strategic alternatives in relation to MPC's controlling interest in BLC, which currently serves as security for the Loan. Having completed that review, MPC has determined to offer for sale its entire 69.6 per cent interest in BLC. It is anticipated that the extension of the final maturity date for repayment of the Loan will provide MPC with the opportunity to implement the sale process in an orderly manner and thereby to realize significantly more value from its controlling interest in BLC than from sales of individual parcels of land at the Fort Bonifacio site.

The terms of the Facility Agreement approved by First Pacific's shareholders at a special general meeting held on 11th April, 2001 expressly permit Larouge, in its absolute discretion, to extend the date for repayment from 31st October, 2001 to a date no later than 31st December, 2001. Following the extension of the final maturity date for repayment of the Loan, the Loan continues to be repayable on demand made by Larouge at any time and, if no demand is made prior to 31st

December, 2001, the Loan together with all interest is repayable in full on that date.

### **Extension of the maturity date for repayment of the Loan**

As set out in First Pacific's shareholder circular dated 28th March, 2001, Larouge advanced the Loan to MPC upon and subject to the terms and conditions of the Facility Agreement, which are summarized in the shareholder circular. Under the Facility Agreement, approved by First Pacific's shareholders at a special general meeting held on 11th April, 2001, the Loan is repayable on demand by Larouge at any time. If no demand is made prior to 31st October, 2001, the outstanding principal amount of the Loan, together with all interest accrued thereon and other moneys due, is repayable on that date; provided that Larouge is permitted, in its absolute discretion, to extend the final date for repayment to a date no later than 31st December, 2001. Following the extension of the final maturity date for repayment of the Loan, the Loan continues to be repayable on demand made by Larouge at any time and, if no demand is made prior to 31st December, 2001, the Loan together with all interest is repayable in full on that date.

The Loan is secured by a pledge over such number of shares of MPC and/or its affiliates in BLC as represents more than 50 per cent of the issued share capital of BLC.

### **Rationale for the extension of the maturity date for repayment of the Loan**

On 3rd October, 2001, First Pacific announced that MPC was reviewing its strategic alternatives in relation to BLC and the Fort Bonifacio development. Having completed that review, MPC has determined to offer for sale its entire 69.6 per cent interest in BLC and has appointed ING Barings to advise it in connection with the disposal. It is anticipated that the extension of the maturity date in respect of the Loan will provide MPC the opportunity to implement the sale process in an orderly manner and thereby to realize significantly more value from its controlling interest than from sales of individual parcels of land at the Fort Bonifacio site. The proceeds of the disposal are expected to enable MPC to repay the Loan in full and meet its other debt obligations as they fall due.

Accordingly, based on the information provided by the directors of MPC and having carefully considered the implications of extending the maturity date of the Loan to 31st December, 2001, the Board and the Independent Board Committee appointed in connection with the original approval of the Loan as a connected transaction for First Pacific under the Listing Rules each consider that it is in the best interests of First Pacific's shareholders for First Pacific to continue to provide the Loan to MPC at this time.

## Definitions

In this Announcement, unless the context otherwise requires, the following expressions have the following meanings:-

“BLC”	Bonifacio Land Corporation, a corporation established under the laws of the Republic of the Philippines and in which MPC has an attributable economic interest of approximately 69.6 per cent. BLC is a 55.0 per cent shareholder in a joint venture project with the Philippine government that commenced, in 1995, the re-development of a 155 hectare portion of a new Metro Manila central business district (named the “Bonifacio Global City”), that previously was a Philippine military base;
“Board”	the board of directors of First Pacific, but excluding the members of the Independent Board Committee;
“Facility Agreement”	the Facility Agreement dated 26th March 2001 entered into by Larouge and MPC in relation to the Loan;
“First Pacific”	First Pacific Company Limited;
“Independent Board Committee”	an independent committee of the Board, comprising Prof. Edward K.Y. Chen, CBE, JP and Mr. David W.C.Tang, OBE, being the independent non-executive directors of First Pacific;
“Larouge”	Larouge B.V., a company incorporated under the laws of the Netherlands and a wholly-owned subsidiary of First Pacific;
“Listing Rules”	means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Loan”	the short term loan facility in an aggregate principal amount of US\$90.0 million (equivalent to approximately HK\$702.0 million) advanced to MPC by Larouge under the Facility Agreement; and
“MPC”	Metro Pacific Corporation, a corporation established under the laws of the Republic of the Philippines and the shares of which are listed on the Philippine Stock Exchange, and in which the First Pacific Group has an aggregate direct and indirect attributable economic interest of approximately 80.6 per cent.

*For illustration purposes, translations of amounts have been made on an approximate basis at the rate of US\$1 = HK\$7.8. Percentages, and figures expressed in billions and millions, have been rounded.*

By Order of the Board

**FIRST PACIFIC COMPANY LIMITED**

**Ronald A. Brown**

*Executive Director and Company Secretary*

Hong Kong, 1st November, 2001

Please also refer to the published version of this announcement in the South China Morning Post (English) and Hong Kong Economic Journal (Chinese).