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FIRST PACIFIC COMPANY LIMITED

第一太平洋有限公司

(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 YEAR ENDED 31 DECEMBER 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 year ended 31 December 2019.

Summary

On 5 March 2020, the board of directors of PLDT approved the release of its unaudited consolidated financial results for the year ended 31 December 2019. PLDT’s unaudited consolidated financial results have been submitted to the PSE and the NYSE by way of disclosure on 5 March 2020, 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 5 March 2020, the board of directors of PLDT approved the release of its unaudited consolidated financial results for the year ended 31 December 2019. PLDT’s unaudited consolidated financial results have been submitted to the PSE and the NYSE by way of disclosure on 5 March 2020, 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 Statement for the year ended 31 December 2019 and audited Consolidated Income Statements for the years ended 31 December 2018 and 2017, as well as the unaudited Consolidated Statement of Financial Position as at 31 December 2019 and audited Consolidated Statement of Financial Position as at 31 December 2018 are provided below:

PLDT INC. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS
FOR THE YEARS ENDED 31 DECEMBER 2019, 2018 AND 2017

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

	2019	2018	2017
	(Unaudited)	(Audited)	(Audited)
REVENUES			
Service revenues*	161,355	152,369	150,172
Non-service revenues	7,832	10,545	8,761
	<u>169,187</u>	<u>162,914</u>	<u>158,933</u>
EXPENSES			
Selling, general and administrative expenses	68,230	73,916	68,990
Depreciation and amortization	39,656	47,240	51,915
Cost of sales and services	13,429	14,427	13,633
Asset impairment	4,833	8,065	8,258
Interconnection costs*	3,638	5,493	6,626
	<u>129,786</u>	<u>149,141</u>	<u>149,422</u>
	39,401	13,773	9,511
OTHER INCOME (EXPENSES) – NET	(7,065)	9,042	5,058
INCOME BEFORE INCOME TAX	32,336	22,815	14,569
PROVISION FOR INCOME TAX	9,550	3,842	1,103
NET INCOME	<u>22,786</u>	<u>18,973</u>	<u>13,466</u>
ATTRIBUTABLE TO:			
Equity holders of PLDT	22,521	18,916	13,371
Noncontrolling interests	265	57	95
	<u>22,786</u>	<u>18,973</u>	<u>13,466</u>
Earnings Per Share Attributable to			
Common Equity Holders of PLDT			
Basic	103.97	87.28	61.61
Diluted	103.97	87.28	61.61

* Certain amounts in 2018 and 2017 were adjusted to reflect reclassifications in income and expenses.

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

	31 December 2019 (Unaudited)	31 December 2018 (Audited)
ASSETS		
Noncurrent Assets		
Property and equipment	232,134	195,964
Right-of-use assets	15,890	–
Investments in associates and joint ventures	53,863	55,427
Financial assets at fair value through profit or loss	3,369	4,763
Debt instruments at amortized cost		
– net of current portion	–	150
Investment properties	778	777
Goodwill and intangible assets	67,834	68,583
Deferred income tax assets – net	23,623	27,697
Derivative financial assets – net of current portion	1	140
Prepayments – net of current portion	48,933	23,338
Financial assets at fair value through other		
comprehensive income – net of current portion	162	2,749
Contract assets – net of current portion	750	1,083
Other financial assets – net of current portion	1,986	2,275
Other non-financial assets – net of current portion	136	230
Total Noncurrent Assets	<u>449,459</u>	<u>383,176</u>
Current Assets		
Cash and cash equivalents	24,369	51,654
Short-term investments	314	1,165
Trade and other receivables	22,436	24,056
Inventories and supplies	3,412	2,878
Current portion of contract assets	1,997	2,185
Current portion of derivative financial assets	41	183
Current portion debt instruments at amortized cost	150	–
Current portion of prepayments	11,298	8,380
Current portion of financial assets at fair value through		
other comprehensive income	2,757	1,604
Current portion of other financial assets	8,086	7,008
Current portion of other non-financial assets	717	461
Total Current Assets	<u>75,577</u>	<u>99,574</u>
TOTAL ASSETS	<u><u>525,036</u></u>	<u><u>482,750</u></u>

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

	31 December 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	130,321	130,526
Other equity reserves	276	697
Retained earnings	18,063	12,081
Other comprehensive loss	(31,368)	(25,190)
Total Equity Attributable to Equity Holders of PLDT	<u>111,996</u>	<u>112,358</u>
Noncontrolling interests	4,303	4,308
TOTAL EQUITY	<u>116,299</u>	<u>116,666</u>
Noncurrent Liabilities		
Interest-bearing financial liabilities		
– net of current portion	172,834	155,835
Lease liabilities – net of current portion	13,100	–
Deferred income tax liabilities – net	2,583	2,981
Derivative financial liabilities – net of current portion	25	–
Customers’ deposits	2,205	2,194
Pension and other employee benefits	8,985	7,182
Deferred credits and other noncurrent liabilities	4,557	5,284
Total Noncurrent Liabilities	<u>204,289</u>	<u>173,476</u>
Current Liabilities		
Accounts payable	77,845	74,610
Accrued expenses and other current liabilities	100,815	95,724
Current portion of interest-bearing financial liabilities	19,722	20,441
Current portion of lease liabilities	3,215	–
Dividends payable	1,584	1,533
Current portion of derivative financial liabilities	88	80
Income tax payable	1,179	220
Total Current Liabilities	<u>204,448</u>	<u>192,608</u>
TOTAL LIABILITIES	<u>408,737</u>	<u>366,084</u>
TOTAL EQUITY AND LIABILITIES	<u>525,036</u>	<u>482,750</u>

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 5 March 2020.

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

Hong Kong, 5 March 2020

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