FIRST PACIFIC COMPANY LIMITED

(Incorporated with limited liability under the laws of Bermuda)

2020 FULL-YEAR AUDITED FINANCIAL RESULTS

EARNINGS UP, DISTRIBUTION HIGHER
SHARE REPURCHASES BEGIN

US$100 Mln in Buybacks Signals Confidence in Outlook

CONTRIBUTION FROM OPERATIONS RISES 4% TO US$409.7 MLN
RECURRING PROFIT UP 11% TO US$321.2 MLN, 6-YEAR HIGH
NET PROFIT US$201.6 MLN VS. US$253.9 MLN LOSS
FULL-YEAR DISTRIBUTION RAISED 7% TO 14.5 HK CENTS/SHARE
11TH CONSECUTIVE YEAR OF 25% MINIMUM PAYOUT RATIO
BORROWING COSTS TUMBLE TO 10-YEAR LOW
ESG MOVES TO THE CENTER OF OUTLOOK WITH AWARD WIN

Hong Kong, 30th March, 2021 – First Pacific Company Limited (HKSE: 00142) ("First Pacific" or the "Company") today reported its audited financial results for the year ended 31st December 2020, showing a rise in contribution from operations and recurring profit notwithstanding the business and social consequences of the global COVID-19 pandemic. In a signal of the Company's improving financial position, First Pacific's Board of Directors increased the distribution to shareholders by 7% and authorized a three-year US$100 million share repurchase program to signal their confidence going forward.

"In many cases we have been fortunate to be operating well managed businesses in sectors vital to economies in lockdown. In others we have been fortunate in our staff and local management's acumen in maintaining strong finances to cope with the fall in demand owing to the pandemic," said Manuel V. Pangilinan, Managing Director and Chief Executive Officer of First Pacific.

"Looking ahead we can see a return to a 'new normal' in which our businesses will continue to expand their earnings over the medium to long term," he said. "Accordingly, we are now fulfilling our earlier promise to undertake a share repurchase program that signals our view that our current net asset value (NAV) discount is too high."

"Four years after formally committing to a capital management program aimed at debt reduction followed by share repurchases, we have cut our interest bill by 22%, culminating in the redemption of our most expensive bond last September and its replacement by a new offering at our lowest-ever coupon," said Christopher H. Young, Chief Financial Officer and Executive Director. "Our dividend income has turned towards growth in 2020 and we are confident in the outlook going forward. With sound finances and a share price not far off a 15-year low, now is the time for share repurchases."

At First Pacific's current share price, US$100 million would pay for more than 7% of all shares outstanding.

In parallel with stronger results in 2020, First Pacific's management and Board have tightened their focus on sustainability matters, approving a number of Environment, Social and Governance ("ESG") policies in acknowledgement of the increasing importance of non-financial reporting to investors and the Company's wider stakeholder base alike. Like other members of the First Pacific Group of companies, First Pacific formally signed up to the United Nations Global Compact and the eight fundamental conventions of the International Labour Organisation.

In recognition of these efforts, the Chamber of Hong Kong Listed Companies and Hong Kong Baptist University's Centre for Corporate Governance and Financial Policy awarded First Pacific a 2020 Award of Excellence in Corporate Governance, widely regarded as Hong Kong's most prestigious award for governance. For their part, proxy advisors acknowledged these and other moves by raising First Pacific's scores and ratings, with, for example, a top-decile rating of AA- for the Company's membership of the Hang Seng Corporate Sustainability Benchmark Index.

"Sustainability has moved to the core of our outlook," Pangilinan said. "We aim for First Pacific and all our Group companies to achieve and retain leadership in an area that is becoming increasingly crucial to shareholder value."

First Pacific's 2020 full-year results saw turnover decline 6% to US$7.1 billion from US$7.6 billion a year earlier. Total contribution from operations increased 4% to US$409.7 million versus US$395.6 million as sharply higher contributions from PT Indofood Sukses Makmur Tbk ("Indofood"), PLDT Inc. ("PLDT"), and Philex Mining Corp. ("Philex") were offset in part by a lower contribution from Metro Pacific Investments Corp. ("MPIC"). Recurring profit rose 11% to US$321.2 million, its highest since 2014, from US$290.0 million in 2019 as overall Head Office costs fell 16% to US$88.5 million from US$105.6 million thanks largely to a 22% fall in the net interest expense.

In 2020, the Company reported a net profit of US$201.6 million compared to a net loss of US$253.9 million in 2019.

First Pacific has committed since 2010 to a dividend/distribution payout ratio of at least 25% of recurring profit as a key plank in a capital management program balanced between returns to shareholders and new investments for growth.

"As a sign of our continuing confidence in the outlook for the First Pacific Group over the medium term, the Board of First Pacific has decided to declare a final distribution of 7.5 HK cents per share, up from 7.0 HK cents per share last year," Pangilinan said. "Following our higher interim payout, this will increase our full-year distribution to 14.5 HK cents in 2020, up 7% from 13.5 HK cents in 2019 and represent a payout ratio of 25% of 2020 recurring profit." At First Pacific's recent share price of HK$2.3, the full-year distribution amounts to a yield of approximately 6%.

In U.S. dollar terms, the final distribution recommended by First Pacific's Board amounts to 0.96 U.S. cents per share and brings the full-year regular distribution to 1.86 U.S. cents versus 1.73 U.S. cents a year earlier. Basic earnings per share were 7.40 U.S. cents in 2020 versus basic loss per share of 6.68 U.S. cents.

First Pacific is a leading investment management and holding company focused on the economies of emerging Asia and is a major or controlling shareholder in Indonesia's biggest vertically integrated food company and in the Philippines' biggest telecommunications, infrastructure and mining companies.

Indofood, the world's largest maker of wheat instant noodles and the biggest food company listed in Indonesia, saw its contribution rise 19% to a record high of US$194.4 million versus US$163.4 million a year earlier on surging growth in its noodles business following the acquisition of Pinehill Company Limited ("Pinehill") in 2020, a noodle maker based in Africa, the Middle East and Southeast Europe, and higher sales of its food seasonings, snack foods and other food products. All four Indofood businesses – Consumer Branded Products, the Bogasari flour and pasta division, Agribusiness, and Distribution – reported stronger sales in 2020.

The contribution from PLDT, the largest telecommunications services provider in the Philippines, rose 13% to US$134.9 million from US$119.3 million as strong demand growth at all three of its main businesses lifted net service revenues 9% to a record high 171.5 billion Philippine pesos. After spending US$1 billion or more on capital expenditures in every year since 2015, PLDT is seeing its customers respond with explosive growth in demand for data services ranging from mobile streaming to home WiFi to cloud services and data centers.

The contribution from MPIC fell 33% to US$84.8 million from US$126.8 million as the COVID-19 pandemic and the government's community quarantine policies imposed in response to it resulted in lower revenues and profit at all its businesses, ranging from power to roads to water and others. However, confidence in the post-COVID outlook for the economy and a strong balance sheet enabled MPIC to leave its 2020 dividend to shareholders unchanged from a year earlier.

For its part, Philex increased its contribution eight-fold to US$8.0 million on higher production and prices for the gold and copper it produces.

Following contributions from operating companies to First Pacific's earnings, corporate overheads fell to US$19.7 million from US$20.8 million, marking a fifth successive year of decline. First Pacific's interest bill fell 22% to US$60.0 million, its lowest level since 2011, versus US$76.5 million in 2019, while other expenses rose slightly to US$8.8 million from US$8.3 million. First Pacific Head Office recorded foreign exchange gains of US$3.7 million, up from US$3.2 million a year earlier and foreign exchange gains from operating units jumped to US$30.4 million from US$3.6 million.

First Pacific received US$189.9 million in dividend and fee income from its operating companies in 2020, up 15% from US$165.1 million received in 2019 as nearly every business increased its distribution in U.S. dollar terms.

At 31st December 2020, net debt at the Head Office was approximately US$1.3 billion, little changed from a year earlier, with cash on hand of US$111 million. Fixed-rate debt made up 74% of the total, with floating-rate debt making up the remaining 26%. First Pacific's blended interest cost amounted to 3.5%, down from 4.2% a year earlier, and the average maturity of its debt was extended to 3.9 years from 3.2 years at the end of 2019.

Among milestones passed in 2020, the Company in March appointed a fifth independent non-executive director, Blair Pickerell, who has extensive experience in conglomerate and investment management in Hong Kong and Southeast Asia. The Board also appointed Axton Salim, with over a decade of experience at Indofood, as a non-executive director. First Pacific also expanded and strengthened governance policies such as a Responsible Investment Policy, a Climate Change Policy and those under its Code of Conduct. All these can be found here.

2020 also saw significant transactions by First Pacific and other members of the Group. In June, PLDT obtained orders amounting to more than US$10 billion – a Philippine record – for a US$300 million 10-year bond offering and a US$300 million 30-year offering, the first-ever issuance of this maturity for a non-government issuer in the Philippines. Indofood's subsidiary Indofood CBP Sukses Makmur Tbk acquired Pinehill in August, expanding its scope from regional powerhouse to global food company, transforming Indofood into one of the largest makers of instant noodles in the world, and providing a strong boost to growth going forward. September brought First Pacific's US$350.0 million bond offering and the redemption of a US$252 million bond, thereby replacing the Company's most expensive bond at the time with currently its cheapest, at 4.375%. In December 2020, MPIC announced the sale of its 56% stake in Global Business Power Corporation to Meralco PowerGen Corporation for 22.4 billion Philippine pesos.

OUTLOOK

"As First Pacific enters its fifth decade later this year, I am pleased to report how well we have managed during an extraordinarily difficult time and underline our confidence in the future with our US$100 million share repurchase program," Pangilinan said. "2020 was a trying time yet we delivered a performance strong enough to support a higher distribution to our shareholders as well as a meaningful share repurchase program. We are hopeful that these will be welcomed by our shareholders and the wider market.

"We can see the first hazy outline of a post-COVID world where our core holdings of Indofood, PLDT and MPIC continue growing from strength to strength. We expect rising dividend income from these core businesses," he said. "We have reduced our borrowings and the cost of what remains. We have every expectation that our sound liquidity and strengthening finances will enable us to further improve our balance sheet even as our share repurchase program undergirds our share price.

"I've said it before, and I'll say it again: we aim for this repurchase program to reduce our discount to net asset value while lifting our share price towards the value of what it represents – large holdings in some of the finest companies in Southeast Asia."

Further details of earnings by First Pacific's subsidiary and associated companies follow.

REVIEW OF OPERATIONS

Indofood reported a 22% increase in core income to Rp6.0 trillion from Rp4.9 trillion a year earlier largely as a result of strong sales growth at the Consumer Branded Products business and the inclusion of Pinehill sales in the last four months of the year.

More details are available at www.indofood.com.

PLDT reported a 4% increase in telco core income to ₱28.1 billion from ₱27.1 billion in 2019 on higher service revenues.

More details are available at www.pldt.com.

MPIC reported a 34% fall in core income to ₱10.2 billion from ₱15.6 billion a year earlier on lower contributions from its electricity, toll road, water distribution, and other businesses on lower demand across the board owing to the COVID-19 pandemic and the resulting community quarantine measures.

More details are available at www.mpic.com.ph.

Philex reported a six-fold increase in core income to ₱1.2 billion from ₱156 million a year earlier on higher prices and volumes of gold and copper produced.

More details are available at www.philexmining.com.ph.

Further information and analysis
Attached to this news release are:

- First Pacific's consolidated income statement
- Consolidated statement of financial position
- Contribution and profit summary

More details about the earnings of First Pacific and of its operating companies can be found on www.firstpacific.com under the Investor Relations tab. The 2020 Annual Report will be posted to the website and to shareholders before the end of April 2021.

Corporate Profile
First Pacific is a Hong Kong-based investment management and holding company with operations located in Asia-Pacific. The Company's principal businesses are in consumer food products, telecommunications, infrastructure, and mining. First Pacific is listed in Hong Kong (HKSE: 00142) and its shares are also available in the United States through American Depositary Receipts (ADR code: FPAFY). For further information, visit www.firstpacific.com.

* * *

For further information, please contact:

John Ryan Tel: +852 2842 4355
Associate Director Mobile: +852 6336 1411
Chief Sustainability Officer

Sara Cheung Tel: +852 2842 4336
Vice President
Group Corporate Communications

###

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December	2020 US$m	2019 (Restated) US$m
Turnover	**7,130.5**	7,585.0
Cost of sales	**(4,822.2)**	(5,301.2)
Gross profit	**2,308.3**	2,283.8
Selling and distribution expenses	**(619.0)**	(606.2)
Administrative expenses	**(604.9)**	(635.7)
Other operating expenses, net	**(50.5)**	(526.9)
Interest income	**68.8**	76.7
Finance costs	**(442.6)**	(438.2)
Share of profits less losses of associated companies and joint ventures	**280.0**	327.0
Profit before taxation from continuing operations	**940.1**	480.5
Taxation	**(341.6)**	(444.4)
Profit for the year from continuing operations	**598.5**	36.1
Profit for the year from a discontinued operation	**69.1**	85.0
Profit for the year	**667.6**	121.1
Profit/(loss) attributable to:		
Owners of the parent	**201.6**	(253.9)
Non-controlling interests	**466.0**	375.0
	667.6	121.1
Profit/(loss) attributable to owners of the parent arising from		
Continuing operations	**181.1**	(269.7)
A discontinued operation	**20.5**	15.8
	201.6	(253.9)
	US¢	US¢
Earnings/(loss) per share attributable to owners of the parent		
Basic		
Continuing operations	**4.18**	(6.21)
A discontinued operation	**0.47**	0.36
	4.65	(5.85)
Diluted		
Continuing operations	**4.17**	(6.21)
A discontinued operation	**0.47**	0.36
	4.64	(5.85)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	At 31 December 2020 US$m	At 31 December 2019 US$m
Non-current assets		
Property, plant and equipment	**4,038.1**	4,938.7
Biological assets	**22.2**	22.6
Associated companies and joint ventures	**5,314.4**	4,787.7
Goodwill	**4,366.3**	693.2
Other intangible assets	**5,927.3**	5,004.7
Investment properties	**9.3**	13.4
Accounts receivable, other receivables and prepayments	**63.9**	37.4
Financial assets at fair value through other comprehensive income	**426.0**	385.9
Deferred tax assets	**110.1**	156.4
Other non-current assets	**687.5**	819.9
	20,965.1	16,859.9
Current assets		
Cash and cash equivalents and short-term deposits	**2,377.8**	2,846.4
Restricted cash	**50.2**	106.0
Financial assets at fair value through other comprehensive income	**3.3**	9.9
Accounts receivable, other receivables and prepayments	**1,073.9**	1,070.7
Inventories	**835.6**	799.0
Biological assets	**55.7**	52.0
	4,396.5	4,884.0
Assets classified as held for sale	**1,582.0**	138.6
	5,978.5	5,022.6
Current liabilities		
Accounts payable, other payables and accruals	**1,552.8**	1,569.3
Short-term borrowings	**1,659.7**	2,262.8
Provision for taxation	**180.6**	97.3
Current portion of deferred liabilities, provisions and payables	**593.9**	542.5
	3,987.0	4,471.9
Liabilities directly associated with the assets classified as held for sale	**843.8**	25.4
	4,830.8	4,497.3
Net current assets	**1,147.7**	525.3
Total assets less current liabilities	**22,112.8**	17,385.2
Equity		
Issued share capital	**43.4**	43.4
Shares held for share award scheme	**(2.4)**	(3.2)
Retained earnings	**1,604.4**	1,401.4
Other components of equity	**1,494.6**	1,487.1
Equity attributable to owners of the parent	**3,140.0**	2,928.7
Non-controlling interests	**7,488.5**	5,829.3
Total equity	**10,628.5**	8,758.0
Non-current liabilities		
Long-term borrowings	**8,973.9**	6,668.0
Deferred liabilities, provisions and payables	**2,111.3**	1,535.3
Deferred tax liabilities	**399.1**	423.9
	11,484.3	8,627.2
	22,112.8	17,385.2

CONTRIBUTION AND PROFIT SUMMARY

	Turnover		Contribution to Group profit(i)	
For the year ended 31 December US$ millions	**2020**	2019 (Restated)(ii)	**2020**	2019
Indofood	**5,583.1**	5,414.4	**194.4**	163.4
PLDT(iii)	**-**	-	**134.9**	119.3
MPIC	**825.5**	1,239.8	**84.8**	126.8
Philex(iii)	**-**	-	**8.0**	1.0
FPM Power	**571.0**	713.4	**(2.5)**	(10.5)
FP Natural Resources	**150.9**	217.4	**(9.9)**	(7.2)
FPW(iv)	**-**	-	**-**	2.8
Contribution from operations(v)	**7,130.5**	7,585.0	**409.7**	395.6
Head Office items:				
- Corporate overhead			**(19.7)**	(20.8)
- Net interest expense			**(60.0)**	(76.5)
- Other expenses			**(8.8)**	(8.3)
Recurring profit(vi)			**321.2**	290.0
Foreign exchange and derivative gains, net(vii)			**34.1**	6.8
Gain on changes in fair value of biological assets			**0.1**	3.0
Non-recurring items(viii)			**(153.8)**	(553.7)
Profit/(loss) attributable to owners of the parent			**201.6**	(253.9)

(i) After taxation and non-controlling interests, where appropriate.

(ii) The Group has restated its 2019 turnover to US$7,585.0 million from US$8,054.7 million following the classification of GBPC as a disposal group held for sale and a discontinued operation in December 2020. Details of the change are set out in Note 5 to the consolidated financial statements.

(iii) Associated companies.

(iv) FPW Singapore Holdings Pte. Ltd. ("FPW"), a joint venture and was sold on 16 December 2019.

(v) Contribution from operations represents the recurring profit contributed to the Group by its operating companies.

(vi) Recurring profit represents the profit/(loss) attributable to owners of the parent excluding the effects of foreign exchange and derivative gains, gain on changes in fair value of biological assets and non-recurring items.

(vii) Foreign exchange and derivative gains, net represent the net gains on foreign exchange translation differences on the Group's unhedged foreign currency denominated net assets/liabilities and the changes in the fair values of derivatives.

(viii) Non-recurring items represent certain items, through occurrence or size, which are not considered as usual operating items. 2020's non-recurring losses of US$153.8 million mainly represent (a) the Group's impairment provisions for assets, including investments in RHI, property, plant and equipment, goodwill, deferred costs and others (US$74.1 million), loss on disposal of La Carlota assets (US$15.8 million) and debt refinancing costs (US$7.5 million), and (b) PLDT's manpower reduction costs (US$9.5 million) and accelerated amortization for Sun trademark (US$6.8 million), and PLP's provisions for take-or-pay obligation and onerous contracts (US$7.4 million). 2019's non-recurring losses of US$553.7 million mainly represent (a) the Group's loss on disposal of Goodman Fielder Pty Limited ("Goodman Fielder") (US$308.3 million), (b) impairment provisions for the Group's investments in PLP (US$249.5 million) and Philex's mining assets (US$37.5 million), and MPIC's investments in Maynilad Water Services Inc. ("Maynilad"), MetroPac Movers, Inc. and other water investments (US$124.2 million), (c) PLDT's manpower reduction costs (US$11.5 million), PLP's provision for onerous contracts (US$6.9 million) and RHI's write-off of deferred tax assets (US$6.7 million), partly offset by MPIC's gain on deconsolidation of Metro Pacific Hospital Holdings, Inc. ("MPHHI") (US$210.6 million).