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If you have sold or transferred all your shares in First Pacific Company Limited, you should at once hand this circular and the accompanying Form of Proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



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)

**NOTICE OF ANNUAL GENERAL MEETING
AND
PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS,
GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES,
ADOPTION OF A NEW SHARE OPTION SCHEME
AND
ADOPTION OF THE NEW MEMORANDUM OF ASSOCIATION AND BYE-LAWS**

Notice convening the 2022 annual general meeting of First Pacific Company Limited to be held at The Alexandra – Edinburgh Room, 2nd Floor, Mandarin Oriental, Hong Kong, 5 Connaught Road Central, Hong Kong at 2:30 p.m. on Thursday, 16 June 2022 (“2022 AGM”) is set out on pages 49 to 55 of this circular.

A Form of Proxy for use at the 2022 AGM is enclosed with this circular. The Form of Proxy can also be downloaded from websites of the Stock Exchange (www.hkexnews.hk) and of the Company (www.firstpacific.com). As set out in the section headed “SPECIAL ARRANGEMENTS FOR THE 2022 AGM” of this circular, the 2022 AGM will be a hybrid meeting using an electronic system, which allows shareholders of the Company to participate online with an internet connection, with the combination of a physical meeting. **The Company strongly encourages Shareholders to exercise their rights to attend and vote at the 2022 AGM by electronic facilities.** Whether or not you are able to attend the annual general meeting, please complete and return the enclosed Form of Proxy to First Pacific Company Limited’s Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible, but in any event not less than 48 hours before the time appointed for the holding of the 2022 AGM (i.e., no later than 2:30 p.m. on 14 June 2022) or any adjourned meeting thereof (as the case may be). Completion and delivery of the Form of Proxy will not preclude you from attending and voting at the 2022 AGM venue or through the Online Platform (as defined in the section headed “SPECIAL ARRANGEMENTS FOR THE 2022 AGM” of this circular) provided by Computershare Hong Kong Investor Services Limited at the annual general meeting or at any adjourned meeting thereof (as the case may be) should you so wish.

The English text of this circular shall prevail over the Chinese text in case of any inconsistency.

CONTENTS

	<i>Page</i>
SPECIAL ARRANGEMENTS FOR THE 2022 AGM	1
DEFINITIONS	6
LETTER FROM THE BOARD	
INTRODUCTION	11
ADOPTION OF THE AUDITED ACCOUNTS AND THE REPORTS OF THE DIRECTORS AND INDEPENDENT AUDITOR FOR THE YEAR ENDED 31 DECEMBER 2021	12
DECLARATION OF FINAL DISTRIBUTION	13
CLOSURE OF REGISTER OF MEMBERS	13
RE-APPOINTMENT OF INDEPENDENT AUDITOR	13
AUTHORISATION OF THE BOARD UNDER BYE-LAW 99 TO APPOINT ADDITIONAL DIRECTORS	14
RE-ELECTION OF RETIRING DIRECTORS	14
GENERAL MANDATE TO ISSUE SHARES	17
GENERAL MANDATE TO REPURCHASE SHARES	17
ADOPTION OF A NEW SHARE OPTION SCHEME	18
ADOPTION OF THE NEW MEMORANDUM OF ASSOCIATION AND BYE-LAWS	22
PROCEDURES TO DEMAND A POLL AT THE ANNUAL GENERAL MEETING	22
RESPONSIBILITY STATEMENT	23
RECOMMENDATION	23
APPENDIX I – BIOGRAPHICAL DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED	24
APPENDIX II – EXPLANATORY STATEMENT OF THE REPURCHASE MANDATE PROPOSAL	29
APPENDIX III – SUMMARY OF THE PRINCIPAL TERMS OF THE SHARE OPTION SCHEME	35
APPENDIX IV – SUMMARY OF THE PROPOSED AMENDMENTS TO THE EXISTING MEMORANDUM OF ASSOCIATION AND BYE-LAWS	47
NOTICE OF ANNUAL GENERAL MEETING	49

SPECIAL ARRANGEMENTS FOR THE 2022 AGM

HEALTH AND SAFETY MEASURES TO BE TAKEN AT THE 2022 AGM

In light of the continuing risks posed by COVID-19, the Company will be adopting the following precautionary measures at the 2022 AGM in order to safeguard the health and safety of our Shareholders attending the 2022 AGM in person, including:

- (1) Compulsory temperature screening/checks will be carried out on every attendee at the entrance of the 2022 AGM venue. Any person with a body temperature above the reference range quoted by the Department of Health from time to time, is subject to any quarantine prescribed by Hong Kong Government or has close contact with any person under quarantine, or is exhibiting flu-like symptoms may be denied entry into the 2022 AGM venue and will be requested to leave the 2022 AGM venue.
- (2) A Health Declaration Form will be provided to every attendee for completion at the entrance of the 2022 AGM venue. Every attendee will have to submit a completed and signed Health Declaration Form prior to entry into the 2022 AGM venue.
- (3) Every attendee will be required to wear a surgical face mask at the 2022 AGM venue and throughout the 2022 AGM and to sit at a distance from other attendees. **Please note that no masks will be provided at the 2022 AGM venue and attendees should bring and wear their own masks.**
- (4) No serving of food or drinks to attendees at the 2022 AGM.
- (5) No corporate gifts will be distributed at the 2022 AGM.
- (6) The Company will maintain a safe distance between seats.

To the extent permitted under law and in accordance with the Hong Kong Government policies and notices that are in place as at the date of the 2022 AGM, the Company reserves the right to deny entry into the 2022 AGM venue or require any person to leave the 2022 AGM venue so as to ensure the health and safety of the other attendees at the 2022 AGM.

Due to the constantly evolving COVID-19 pandemic situation in Hong Kong, the Company may be required to change the 2022 AGM arrangements at short notice. Shareholders should check the websites of the Stock Exchange (www.hkexnews.hk) and of the Company (www.firstpacific.com) for future announcements and any updates on the arrangements for the 2022 AGM.

SPECIAL ARRANGEMENTS FOR THE 2022 AGM

The Company does not in any way wish to diminish the opportunity available to Shareholders to exercise their rights and to vote, but is conscious of the need to protect 2022 AGM attendees from possible exposure to the COVID-19 pandemic. **For the health and safety of 2022 AGM attendees, the Company would be adapting the arrangements for the 2022 AGM to minimise attendance in person, while still enabling Shareholders to vote and ask questions. Details of the special arrangements for the 2022 AGM are set out below.**

ATTENDING THE 2022 AGM AND VOTING BY MEANS OF ELECTRONIC FACILITIES

The 2022 AGM will be a hybrid meeting using electronic system, which allows shareholders of the Company to participate online with an internet connection, with the combination of a physical meeting. The 2022 AGM will be held with the minimum number of persons present as is required under the Bye-laws of the Company to form a quorate meeting, together with a limited number of other attendees to ensure the proper conduct of the meeting. The quorum will be formed by the senior management members and/or senior staff members of the Company who are Shareholders and/or their proxies to maintain an internal grouping and minimise the continuing risks posed by the COVID-19 pandemic at the 2022 AGM.

The Company strongly encourages Shareholders to attend, participate and vote at the 2022 AGM through online access by visiting the website – <http://meetings.computershare.com/FPC2022AGM> (the “**Online Platform**”). Shareholders participating in the 2022 AGM using the Online Platform will also be counted towards the quorum and they will be able to cast their vote and submit questions through the Online Platform.

The Online Platform permits a “split vote” on a resolution, in other words, a Shareholder casting his/her/its votes through the Online Platform does not have to vote all of his/her/its shares in the same way (“For” or “Against”). In the case of a proxy, he/she can vote such number of shares in respect of which he/she has been appointed as a proxy. Votes cast through the Online Platform are irrevocable once the voting session at the 2022 AGM ends.

The Online Platform will be open for registered Shareholders and non-registered Shareholders (see below for login details and arrangements) to log in approximately 30 minutes prior to the commencement of the 2022 AGM and can be accessed from any location with internet connection by a smart phone, tablet device or computer. Shareholders should allow ample time to check into the Online Platform to complete the related procedures. Please refer to the Online User Guide for the 2022 AGM at <https://www.firstpacific.com/press/press.php?category=circular> for assistance.

Login details for registered Shareholders

Details regarding the 2022 AGM arrangements, including login details to access the Online Platform are included in the Company’s notification letter or notification email (for those Shareholders who have provided their email addresses to receive notifications) to be sent to the registered Shareholders (the “**Shareholder Notification**”).

SPECIAL ARRANGEMENTS FOR THE 2022 AGM

Login details for non-registered Shareholders

Non-registered Shareholders who wish to attend, participate and vote at the 2022 AGM using the Online Platform should:

- (1) contact and instruct their banks, brokers, custodians, nominees or HKSCC Nominees Limited through which their Shares are held (together, the “**Intermediary**”) to appoint themselves as proxy or corporate representative to attend the 2022 AGM; and
- (2) provide their email address to their Intermediary before the time limit required by the relevant Intermediary.

Details regarding the 2022 AGM arrangements including login details to access the Online Platform will be sent by the Hong Kong Branch Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, to the email address of the non-registered Shareholders provided by the Intermediary. Any non-registered Shareholder who has provided an email address through the relevant Intermediary for this purpose but has not received the login details by email by 11:30 a.m. on Thursday, 16 June 2022 should reach out to the Hong Kong Branch Share Registrar of the Company for assistance. Without the login details, non-registered Shareholders will not be able to participate and vote using the Online Platform. Non-registered Shareholders should therefore give clear and specific instructions to their Intermediary in respect of both (1) and (2) above.

Login details for proxies or corporate representatives

Details regarding the 2022 AGM arrangements including login details to access the Online Platform will be sent by the Hong Kong Branch Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, to the email address of the proxies provided to it in the relevant proxy forms.

Registered and non-registered Shareholders should note that only one device is allowed in respect of each set of login details. Please also keep the login details in safe custody for use at the 2022 AGM and do not disclose them to anyone else. Neither the Company nor its agents assume any obligation or liability whatsoever in connection with the transmission of the login details or any use of the login details for voting or otherwise.

SPECIAL ARRANGEMENTS FOR THE 2022 AGM

QUESTIONS AT THE 2022 AGM

Shareholders attending the 2022 AGM using the Online Platform will be able to submit questions relevant to the proposed resolutions online during the 2022 AGM. Shareholders can also send their questions by email from Friday, 10 June 2022 (9:00 a.m.) to Tuesday, 14 June 2022 (5:00 p.m.) to FP.2022AGM@firstpacific.com (for registered Shareholders, please state the 10-digit shareholder reference number starting with “C” (SRN) as printed on the top right corner of the Shareholder Notification).

Whilst the Company will endeavour to respond to as many questions as possible at the 2022 AGM, due to time constraints, unanswered questions may be responded to after the 2022 AGM as appropriate.

APPOINTMENT OF PROXY IN ADVANCE OF THE 2022 AGM FOR SHAREHOLDERS WISHING TO ATTEND THE 2022 AGM IN PERSON

For the health and safety of our Shareholders, the Company strongly encourages Shareholders to exercise their right to vote at the 2022 AGM by appointing the Chairman of the 2022 AGM as their proxy, instead of attending the 2022 AGM in person. Physical attendance is not necessary for the purpose of exercising rights of the Shareholders. Shareholders are encouraged to submit their completed proxy forms well in advance of the 2022 AGM. Return of a completed proxy form will not preclude Shareholders from attending and voting at the 2022 AGM venue or through the Online Platform provided by Computershare Hong Kong Investor Services Limited at the 2022 AGM or any adjournment or postponement thereof should they subsequently so wish.

Submission of proxy forms for registered Shareholders

A proxy form for use at the 2022 AGM is enclosed with this circular. A copy of the proxy form can also be downloaded from the websites of the Stock Exchange (www.hkexnews.hk) and of the Company (www.firstpacific.com). Please complete and return the enclosed proxy form to First Pacific Company Limited’s Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible, but in any event not less than 48 hours before the time appointed for the holding of the 2022 AGM (being no later than 14 June 2022 at 2:30 p.m.) or any adjourned meeting thereof (as the case may be).

SPECIAL ARRANGEMENTS FOR THE 2022 AGM

Appointment of proxy for non-registered Shareholders

Non-registered Shareholders whose Shares are held through banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited should consult directly with their banks or brokers or custodians (as the case may be) to assist them in the appointment of proxy.

Due to the constantly evolving COVID-19 pandemic situation in Hong Kong, the Company may be required to change or adopt contingency plans for the 2022 AGM arrangements at short notice, and the Company will ensure that the 2022 AGM arrangements are in compliance with the Bye-laws of the Company. While the Company will use its best endeavours to provide necessary updates to the Shareholders on its website at www.firstpacific.com regarding the 2022 AGM arrangements, Shareholders should check the latest policies and notices announced by the Hong Kong Government and the website of the Company at www.firstpacific.com for future updates on the 2022 AGM arrangements.

If Shareholders have any questions relating to the 2022 AGM, please contact Computershare Hong Kong Investor Services Limited, the Hong Kong Branch Share Registrar of the Company, as follows:

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong
Telephone: (852) 2862 8555
Facsimile: (852) 2865 0990
Website: www.computershare.com/hk/contact

DEFINITIONS

In this circular and the appendices to it, the following expressions have the following meanings unless the context requires otherwise:

“2021 AGM”	the annual general meeting of the Company convened and held on Thursday, 10 June 2021;
“2022 AGM”	the annual general meeting of the Company convened by the Notice and to be held on Thursday, 16 June 2022;
“Adoption Date”	the date on which the Share Option Scheme is adopted, which is expected to be the date of the 2022 AGM, at which a resolution to approve the Share Option Scheme will be proposed;
“Audit and Risk Management Committee”	the Company’s Audit and Risk Management Committee, which is comprised of three Independent Non-executive Directors, Ms. Madeleine Lee Suh Shin (Committee Chairman), Mrs. Margaret Leung Ko May Yee and Prof. Edward K.Y. Chen;
“Board”	the board of Directors of the Company;
“Bye-laws”	the Bye-laws of the Company, as amended from time to time;
“Companies Act”	the Companies Act 1981 of Bermuda, as amended from time to time;
“Company” or “First Pacific”	First Pacific Company Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange;
“Computershare”	the Company’s Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited, located at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong;
“Date of Grant”	in respect of an Option under the Share Option Scheme and an Eligible Person means the date on which that Option is granted to that Eligible Person, which date shall conclusively be determined as the date of the letter of offer in respect thereof referred to in sub-paragraph 2(B) of Appendix III;
“Director” or “Directors”	a director or directors of the Company, from time to time;

DEFINITIONS

“Eligible Person”	any director, executive director, non-executive director, independent non-executive director, officer and/or employee of the Group or any member of it, whether in the full time or part time employment of the Group or any member of it, and any consultant, adviser, supplier, customer or sub-contractor of the Group or any member of it, and any other person whomsoever is determined by the Board as having contributed to the development, growth or benefit of the Group or any member of it or as having spent any material time in or about the promotion of the Group or its business or otherwise as being likely to act for the benefit of the Group or any member of it; and, provided always, that an Eligible Person can be an individual or any other person;
“Exercise Price”	in respect of an Option under the Share Option Scheme means the price per Share at which a Grantee may subscribe for Shares on the exercise of that Option, calculated in accordance with paragraph 3 of Appendix III;
“Existing Memorandum of Association”	the existing Memorandum of Association of the Company as filed with the Hong Kong Companies Registry and as it appears on the Company’s website (www.firstpacific.com) and the website of the Stock Exchange (www.hkexnews.hk) as at the date of this circular;
“Existing Share Option Scheme”	the share option scheme of the Company adopted in general meeting on 31 May 2012;
“Existing Share Option Scheme Expiry Date”	the expiry date of the Existing Share Option Scheme, being 30 May 2022;
“Expiry Date”	in respect of an Option means the date of expiry of that Option as specified in the offer letter in respect thereof, which date shall not be later than the day last preceding the tenth anniversary of the Date of Grant in respect of such Option;
“First Pacific Group” or “Group”	the Company, and/or its subsidiaries, and/or its Philippine affiliates, from time to time;
“Grantee”	any Eligible Person who is granted (and does not reject) an Option in accordance with the terms of the Share Option Scheme or (where the context so permits) a person or persons who, in accordance with the applicable laws of succession is or are entitled to exercise the Option granted to such Grantee (to the extent not already exercised) in consequence of the death of such Grantee;

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Hong Kong dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Latest Practicable Date” or “LPD”	25 April 2022, being the latest practicable date for ascertaining certain information for inclusion in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Macau”	the Macau Special Administrative Region of the PRC;
“Meralco”	Manila Electric Company, an operating associate of the Group, the shares of which are listed on the Philippine Stock Exchange;
“MPIC”	Metro Pacific Investments Corporation, in which the First Pacific Group holds an economic interest of approximately 44.7%, the shares of which are listed on the Philippine Stock Exchange;
“New Memorandum of Association and Bye-laws”	the new memorandum of association and bye-laws of the Company proposed to be adopted under Special Resolutions numbered 10 and 11 contained in the Notice;
“Nomination Committee”	the Company’s Nomination Committee, which is comprised of Mr. Philip Fan Yan Hok (Committee Chairman), Prof. Edward K.Y. Chen and Ms. Madeleine Lee Suh Shin (all are Independent Non-executive Directors), together with Mr. Anthoni Salim, (Non-executive Chairman) and Mr. Manuel V. Pangilinan (Managing Director and Chief Executive Officer);
“Notice”	notice of the 2022 AGM as set out on pages 49 to 55 of this circular;
“Online Platform”	has the meaning given to it in the paragraph headed “SPECIAL ARRANGEMENTS FOR THE 2022 AGM – ATTENDING THE 2022 AGM AND VOTING BY MEANS OF ELECTRONIC FACILITIES” of this circular;
“Option” or “Options”	options to subscribe for Shares granted pursuant to the Existing Share Option Scheme or the Share Option Scheme as the case may be;
“Philex”	Philex Mining Corporation, a major operating associate of the Group, the shares of which are listed on the Philippine Stock Exchange;

DEFINITIONS

“PLDT”	PLDT Inc., a major operating associate of the Group, the shares of which are listed on the Philippine Stock Exchange;
“PRC”	the People’s Republic of China;
“PXP Energy”	PXP Energy Corporation, an operating associate of the Group, the shares of which are listed on the Philippine Stock Exchange;
“Repurchase Mandate”	the general mandate enabling the Company to repurchase its own Shares;
“RHI”	Roxas Holdings, Inc., a subsidiary of the Group, the shares of which are listed on the Philippine Stock Exchange;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share Award Scheme”	the Company’s share award scheme as adopted by the Board on 19 March 2013;
“Share Option Scheme”	the new share option scheme of the Company that will be proposed to be adopted at the 2022 AGM;
“Share Repurchase Program”	a share repurchase program announced by the Company on 30 March 2021 for the repurchase of up to US\$100 million (equivalent to approximately HK\$780 million) in value of the Shares from the open market, by way of “open market repurchases” over a period of approximately 3 years, commencing 31 March 2021 and ending 31 March 2024;
“Shareholders”	the holders of the Shares from time to time;
“Share(s)”	ordinary share(s) of US\$0.01 each of the Company and any shares resulting from any subsequent consolidation, sub-division or reclassification of those ordinary shares;
“Sterling pounds”	Sterling pounds, the lawful currency of the United Kingdom;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Substantial Shareholders”	Salerni International Limited, First Pacific Investments Limited, First Pacific Investments (B.V.I.) Limited and Asian Capital Finance Limited;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers;

DEFINITIONS

“US dollars” or “US\$” United States dollars, the lawful currency of the USA; and

“USA” the United States of America.

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. Percentages and figures expressed have been rounded.

LETTER FROM THE BOARD



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)

Non-executive Chairman:

Anthoni Salim

Executive Directors:

Manuel V. Pangilinan, *Managing Director and Chief Executive Officer*

Christopher H. Young, *Chief Financial Officer*

Non-executive Directors:

Benny S. Santoso

Axton Salim

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

Blair Chilton Pickerell

Principal Office:

24th Floor

Two Exchange Square

8 Connaught Place

Central, Hong Kong

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

29 April 2022

To the Shareholders of First Pacific Company Limited

Dear Sir or Madam,

**NOTICE OF ANNUAL GENERAL MEETING
AND
PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS,
GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES,
ADOPTION OF A NEW SHARE OPTION SCHEME
AND
ADOPTION OF NEW MEMORANDUM OF ASSOCIATION AND BYE-LAWS**

INTRODUCTION

The purpose of this circular is to provide you with information in connection with the convening of the 2022 AGM and an explanation in connection with the matters to be dealt with at the 2022 AGM. In accordance with good corporate governance practices and the requirements under the Listing Rules, the Chairman of the 2022 AGM will direct that each of the resolutions set out in the Notice be voted on by poll.

LETTER FROM THE BOARD

The Notice convening the 2022 AGM is set out on pages 49 to 55 of this circular.

A Form of Proxy for use at the 2022 AGM is enclosed with this circular. The Form of Proxy can also be downloaded from the websites of the Company (www.firstpacific.com) and the Stock Exchange (www.hkexnews.hk). As set out in the section headed “SPECIAL ARRANGEMENTS FOR THE 2022 AGM” of this circular, the 2022 AGM will be a hybrid meeting using an electronic system, which allows shareholders of the Company to participate online with an internet connection, with the combination of a physical meeting. The Company strongly encourages Shareholders to exercise their rights to attend and vote at the 2022 AGM by electronic facilities. Whether or not you are able to attend the 2022 AGM, you are requested to complete and return the Form of Proxy in accordance with the instructions printed thereon to the Company’s Hong Kong Branch Share Registrar, Computershare, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the 2022 AGM (i.e. no later than 2:30 p.m. on 14 June 2022). Completion and delivery of the Form of Proxy will not preclude you from attending and voting at the 2022 AGM venue or through the Online Platform provided by Computershare Hong Kong Investor Services Limited at the 2022 AGM or at any adjourned meeting thereof (as the case may be), should you so wish.

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, no Shareholder has a material interest in the matters referred to in the resolutions to be proposed at the 2022 AGM (including the adoption of the Share Option Scheme). As such, no Shareholder is required to abstain from voting on the resolutions to be proposed at the 2022 AGM. The Board confirms that to the best of its knowledge, information and belief, having made all reasonable enquiries, as at the Latest Practicable Date, there was no voting trust or other agreement or other arrangement or understanding (other than an outright sale) entered into by or binding upon any Shareholder and there was no obligation or entitlement of any Shareholder whereby he or she has or may have temporarily or permanently passed control over the exercise of the voting right in respect of his or her Shares to a third party, either generally or on a case-by-case basis.

ADOPTION OF THE AUDITED ACCOUNTS AND THE REPORTS OF THE DIRECTORS AND INDEPENDENT AUDITOR FOR THE YEAR ENDED 31 DECEMBER 2021

The 2021 Annual Report of the Company, incorporating the audited consolidated accounts of the Company for the year ended 31 December 2021 and the Directors’ and Independent Auditor’s Reports thereon, and information concerning each of the retiring Directors who will stand for re-election at the 2022 AGM, is available in English and Chinese under the “Financials” section of the Company’s website (www.firstpacific.com) and the website of the Stock Exchange (www.hkexnews.hk).

The audited consolidated accounts of the Company for the year ended 31 December 2021 contain the Independent Auditor’s Report from Ernst & Young, which was prepared in accordance with the auditing standards issued by the Hong Kong Institute of Certified Public Accountants, which require communication of key audit matters for listed entities for the purpose of providing greater transparency about matters of most significance in the audit that was performed and how those matters were addressed in the context of the audit of the consolidated accounts as a whole. Shareholders are requested to refer to the full Independent Auditor’s Report incorporated in the Company’s 2021 Annual Report for further details.

The consolidated accounts of the Company for the year ended 31 December 2021 have been reviewed by the Audit and Risk Management Committee and approved by the Board on 31 March 2022 for adoption at the 2022 AGM.

LETTER FROM THE BOARD

DECLARATION OF FINAL DISTRIBUTION

On 31 March 2022, the Directors announced the consolidated results of the Company for the year ended 31 December 2021. As mentioned in that results announcement, the Board recommended a final cash distribution of HK10 cents (US1.28 cents) per Share. Subject to approval by Shareholders at the 2022 AGM, the final distribution will be paid in cash in a currency to be determined based on the registered address of each Shareholder on the Company's Register of Members as follows: Hong Kong dollars for Shareholders with registered addresses in Hong Kong, Macau and PRC, Sterling pounds for Shareholders with registered addresses in the United Kingdom and US dollars for Shareholders with registered addresses in all other countries. It is expected that the distribution warrants will be dispatched to Shareholders on or about Friday, 8 July 2022.

CLOSURE OF REGISTER OF MEMBERS

1. Annual General Meeting

The Company's Register of Members will be closed from Monday, 13 June 2022 to Thursday, 16 June 2022, both dates inclusive, during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the 2022 AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong Branch Share Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Friday, 10 June 2022.

2. Proposed Final Distribution

Upon Shareholders' approval of the proposed final distribution at the 2022 AGM, the Company's Register of Members will be closed from Friday, 24 June 2022 to Tuesday, 28 June 2022, both dates inclusive, during which period no transfer of Shares will be registered. The ex-distribution date will be Wednesday, 22 June 2022. In order to qualify for the proposed final distribution, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong Branch Share Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Thursday, 23 June 2022. The final distribution will be paid to Shareholders whose names appear on the Company's Register of Members on Tuesday, 28 June 2022 and the payment date will be on or about Friday, 8 July 2022.

RE-APPOINTMENT OF INDEPENDENT AUDITOR

The Audit and Risk Management Committee has recommended to the Board (which in turn endorsed the view), that subject to approval by Shareholders at the 2022 AGM, Ernst & Young be re-appointed as the independent auditor of the Company for the ensuing year.

LETTER FROM THE BOARD

AUTHORISATION OF THE BOARD UNDER BYE-LAW 99 TO APPOINT ADDITIONAL DIRECTORS

Pursuant to Bye-law 99, the Directors have power to appoint any person as a Director to fill a casual vacancy or, if authorised by Shareholders in general meeting, as an addition to the Board (but so that the maximum number of Directors so appointed by the Board shall not exceed the maximum number of Directors specified in the Company's Bye-laws from time to time). Any person so appointed as a Director shall remain as a Director only until the next following annual general meeting of the Company and then he or she shall be eligible for re-election at that meeting.

RE-ELECTION OF RETIRING DIRECTORS

Bye-law 117A requires that at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, then the number nearest to but not less than one-third) shall retire from office. Bye-law 117B provides that a retiring Director shall be eligible for re-election.

In accordance with the Company's Bye-laws and the Corporate Governance Code set forth in Appendix 14 of the Listing Rules, every Director, including Non-executive Directors and Independent Non-executive Directors and those appointed for a specific term, shall be subject to retirement by rotation at least once every three years. A retiring Director is eligible for re-election at the annual general meeting.

Accordingly, the following Directors who have been longest in office since their last re-election, are due to retire by rotation as Directors at the 2022 AGM:

1. Mr. Manuel V. Pangilinan, Managing Director and Chief Executive Officer, who has been in office since his last re-election at the 2019 annual general meeting;
2. Prof. Edward K.Y. Chen, Independent Non-executive Director, who has been in office since his last re-election at the 2019 annual general meeting; and
3. Mrs. Margaret Leung Ko May Yee, Independent Non-executive Director, who has been in office since her last re-election at the 2019 annual general meeting.

Separately, Mr. Christopher H. Young, an Executive Director, who was re-elected for a fixed term of approximately one year at the 2021 AGM, is due to retire at the 2022 AGM.

In order to stagger the list of directors retiring at upcoming annual general meetings, Mr. Christopher H. Young is offering himself for re-election at the 2022 AGM for a shorter 1-year term until 2023, instead of the usual 3-year term until 2025.

LETTER FROM THE BOARD

Pursuant to code provision B.2.3 of the Corporate Governance Code set forth in Appendix 14 of the Listing Rules, as Prof. Edward K.Y. Chen and Mrs. Margaret Leung Ko May Yee have each served as an Independent Non-executive Director of the Company for more than 9 years, each of their re-elections will be subject to a separate resolution to be approved by the Shareholders.

The Nomination Committee and the Board have reviewed the annual written confirmation of independence of each of Prof. Edward K.Y. Chen and Mrs. Margaret Leung Ko May Yee and assessed their independence based on the independence criteria set out in Rule 3.13 of the Listing Rules. Each of them does not have any relationship with any Directors, chief executive, senior management, substantial Shareholders or controlling Shareholders of the Company. The Nomination Committee and the Board are also not aware of any circumstance that might influence each of Prof. Edward K.Y. Chen and Mrs. Margaret Leung Ko May Yee in exercising independent judgment, and are satisfied that they have the required character, integrity, independence and experience to fulfill the role of Independent Non-executive Directors.

Prof. Chen has served as an Independent Non-executive Director of the Company for approximately twenty-nine years. Prof. Chen has extensive knowledge and experience in the governmental, academic and commercial sectors. He also acts as an independent non-executive director for other listed companies in Hong Kong. During his years of service, Prof. Chen has continued to demonstrate strong independence in judgment and is free from any business or other relationship with the Company which could interfere with his ability to discharge his duties effectively. The Nomination Committee valued the continuity of his service on the Board. Notwithstanding his years of service, the Nomination Committee is of the view that Prof. Chen is able to continue to fulfill his role as an Independent Non-executive Director and he is therefore considered as independent.

Mrs. Leung has served as an Independent Non-executive Director of the Company for approximately nine years. Mrs. Leung has extensive knowledge and experience in the bank and commercial sectors. She also acts as an independent non-executive director for other listed companies in Hong Kong. During her years of service, Mrs. Leung has continued to demonstrate strong independence in judgment and is free from any business or other relationship with the Company which could interfere with her ability to discharge her duties effectively. The Nomination Committee also valued the continuity of her service on the Board. Notwithstanding her years of service, the Nomination Committee is of the view that Mrs. Leung is able to continue to fulfill her role as an Independent Non-executive Director and she is therefore considered as independent.

As Independent Non-executive Directors with in-depth understanding of the Group's operations and business, each of Prof. Edward K.Y. Chen and Mrs. Margaret Leung Ko May Yee has expressed objective views and given independent guidance to the Company over the years. They contribute to the diversity of the Board by bringing their professional skills, knowledge and valuable experience in their respective fields of expertise as well as corporate management, governance, academic and public services experience to the Board.

The Nomination Committee had discussed and considered the above factors at its meeting in arriving at the determination that each of Prof. Edward K.Y. Chen and Mrs. Margaret Leung Ko May Yee is still independent and is of the view that they should be re-elected as Independent Non-executive Directors.

LETTER FROM THE BOARD

After due consideration, members of the Nomination Committee approved the nomination of the following retiring Directors for re-election at the 2022 AGM, for the respective terms specified below. Based on the aforesaid, the Board considers that the re-election of the above retiring Directors, including Mr. Manuel V. Pangilinan as Managing Director and Chief Executive Officer of the Company, Mr. Christopher H. Young as Executive Director and Prof. Edward K.Y. Chen and Mrs. Margaret Leung Ko May Yee as Independent Non-executive Directors, is in the best interests of the Company and the Shareholders as a whole and that they should be re-elected.

- i. That Mr. Manuel V. Pangilinan be re-elected as Managing Director and Chief Executive Officer of the Company for a fixed term of approximately three years, commencing on the date of the 2022 AGM and expiring at the conclusion of the annual general meeting of the Company to be held in the third year following the year of his re-election (being 2025) (the “**Fixed 3-year Term**”);
- ii. That Prof. Edward K.Y. Chen be re-elected as an Independent Non-executive Director of the Company for the Fixed 3-year Term;
- iii. That Mrs. Margaret Leung Ko May Yee be re-elected as an Independent Non-executive Director of the Company for the Fixed 3-year Term; and
- iv. That Mr. Christopher H. Young be re-elected as an Executive Director of the Company for a fixed term of approximately one year, commencing on the date of the 2022 AGM and expiring at the conclusion of the annual general meeting of the Company to be held in the year following the year of his re-election (being 2023).

The proposed re-election of each of the above four retiring Directors on the terms specified above will be considered by separate resolutions at the 2022 AGM.

The biographical details of each of the four retiring Directors offering themselves for re-election at the 2022 AGM, as required by Rule 13.51(2) of the Listing Rules, are set out in Appendix I of this circular to enable Shareholders to make an informed decision on their re-election. Save as otherwise disclosed in this circular, there is no information to be disclosed pursuant to any of the requirements under Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of Shareholders, in respect of the four retiring Directors offering themselves for re-election at the 2022 AGM.

Any Shareholder who wishes to nominate a person to stand for election as a Director of the Company at the 2022 AGM must lodge with the Company at its principal office at 24th Floor, Two Exchange Square, 8 Connaught Place, Central, Hong Kong no later than seven (7) days before the date of the 2022 AGM, being Wednesday, 8 June 2022: (i) his or her written nomination of the candidate; (ii) written confirmation from such nominated candidate of his or her willingness to be elected as a Director; and (iii) the biographical details of such nominated candidate as required under Rule 13.51(2) of the Listing Rules for publication by the Company, together with the candidate’s written consent to the publication of his or her personal data. The relevant information required and the procedures involved for Shareholders to propose a person for election as a Director of the Company can be obtained from the Company’s website (www.firstpacific.com) under the “Sustainability” and “Corporate Governance” sections.

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE SHARES

At the 2021 AGM, Shareholders passed an ordinary resolution granting to the Directors a general mandate to allot and issue Shares up to a limit equal to 10% of the Company's total number of shares in issue as at 10 June 2021. Your Directors believe that it would be in the best interests of the Company to renew this mandate (by reference to the Company's total number of shares in issue on the date of the 2022 AGM), as the existing general mandate will expire at the conclusion of the 2022 AGM.

The Company acknowledges the possible concern of some minority Shareholders with respect to possible dilution of their shareholding interest resulting from the exercise of the general mandate to issue Shares. The Company reaffirms its commitment to use the mandate sparingly and in the interest of its Shareholders. Accordingly, the Board proposes to seek Shareholders' approval at the 2022 AGM for the renewal of the general mandate enabling the Directors to allot and issue Shares limited to 10% of the total number of shares of the Company in issue as at the date of the resolution passed by Shareholders (rather than 20% as permitted under the Listing Rules). Furthermore, any Shares of the Company to be allotted and issued pursuant to this general mandate shall not be at a discount of more than 10% (rather than 20% as permitted under the Listing Rules) to the benchmarked price of such Shares of the Company, as set out in Rule 13.36(5) of the Listing Rules.

Similar to 2021, the Company does not propose to renew the general mandate to allot and issue Shares repurchased by the Company pursuant to the general mandate to repurchase shares, as allowed by the Listing Rules.

GENERAL MANDATE TO REPURCHASE SHARES

At the 2021 AGM, Shareholders also passed an ordinary resolution granting to the Directors a general mandate to exercise the powers of the Company to repurchase its own Shares up to a limit of 10% of the Company's total number of Shares in issue as at 10 June 2021. The existing mandate will expire at the conclusion of the 2022 AGM. Your Directors believe that it would be in the best interests of the Company to renew the mandate to repurchase Shares (by reference to the Company's total number of Shares in issue on the date of the 2022 AGM).

During the year ended 31 December 2021, the Company repurchased 65,818,000 (2020: Nil) Shares on the Stock Exchange, at an aggregate consideration of HK\$185.1 million (US\$23.8 million) (2020: Nil). During the period from 1 January 2022 to the Latest Practicable Date, the Company repurchased a total of 9,776,000 Shares on the Stock Exchange at an aggregate consideration of HK\$29.7 million (US\$3.8 million), resulting in an aggregate of 75,594,000 Shares repurchased at an aggregate consideration of HK\$214.8 million (US\$27.6 million) from 1 January 2021 to the Latest Practicable Date. All of these repurchased shares have subsequently been cancelled.

Details of the Shares repurchased during the six months preceding the Latest Practicable Date are set out in Appendix II of this circular.

LETTER FROM THE BOARD

The main features of the Listing Rules regarding share repurchases on the Stock Exchange, and further details in relation to the proposed Repurchase Mandate are contained in the explanatory statement set out in Appendix II of this circular so as to enable Shareholders to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the 2022 AGM to grant a general mandate to the Directors to exercise the powers of the Company to repurchase its Shares.

ADOPTION OF A NEW SHARE OPTION SCHEME

An ordinary resolution will be proposed at the 2022 AGM for the adoption of the Share Option Scheme. The terms of the Share Option Scheme have been prepared in compliance with Chapter 17 of the Listing Rules currently in force as at the Latest Practicable Date. The Company will be prepared to amend the Share Option Scheme (subject to the approval by the Shareholders in general meeting) to the extent necessary in order to ensure compliance with any amendments to the Listing Rules as and when they become effective. The Share Option Scheme is an incentive scheme and is established to provide Eligible Persons with the opportunity to acquire proprietary interests in the Company and to enable the Group to, (i) recognise and acknowledge the contributions that Eligible Persons have (or may have) made or may make to the Group (whether directly or indirectly); (ii) attract and retain and appropriately remunerate the best possible quality of employees and other Eligible Persons; (iii) motivate the Eligible Persons to optimise their performance and efficiency for the benefit of the Group; (iv) enhance its business, employee and other relations; and/or (v) retain maximum flexibility as to the range and nature of rewards and incentives which the Company can offer to Eligible Persons.

Eligible Persons under the Share Option Scheme include directors and employees of the Group, as well as consultants, advisers, suppliers, customers or sub-contractors of the Group. As the purposes of the Share Option Scheme include the recognition of contributions made to the Group and the provision of incentives to motivate appropriate persons to continue contributing to the benefit of the Group, the Directors consider it appropriate to include a consultant, adviser, supplier, customer or sub-contractor of the Group as an Eligible Person under the Share Option Scheme. In assessing whether Options are to be granted to an Eligible Person who is a consultant, adviser, supplier, customer or sub-contractor of the Group, the Board will take into account a range of factors, including the nature and extent of services provided by such person to the Group, the number of years in respect of which such services have been provided to the Group, the positive impact which such person has brought to the Group's business and development and whether granting Options to such person is an appropriate incentive to motivate such person to continue to contribute towards the betterment of the Group.

The Share Option Scheme shall be valid and effective for a period of 10 years commencing from the Adoption Date. On and after the tenth anniversary of the Adoption Date, no further Options shall be granted. Any Options which are granted during the life of the Share Option Scheme shall continue to be exercisable in accordance with the terms of their issue.

LETTER FROM THE BOARD

The Share Option Scheme does not specify a minimum period for which an Option must be held nor a performance target which must be achieved before an Option can be exercised. However, the rules of the Share Option Scheme provide that the Board may determine, in its absolute discretion, such term(s) on the grant of an Option. The basis for the determination of the Exercise Price is also specified precisely in the rules of the Share Option Scheme. When granting Options and determining the terms of grant, the Board customarily imposes a multi-year vesting period and takes into account target levels of future share price performance. The Directors consider that the aforesaid criteria and rules will serve to preserve the value of the Company and encourage Eligible Persons to acquire proprietary interests in the Company.

The Directors believe that any calculation of the value of the Options as at the Latest Practicable Date based on a great number of speculative assumptions would not be meaningful and would be misleading to Shareholders. However, Shareholders should note that, in compliance with the Listing Rules, estimated valuations of Options granted during any financial period will be provided based on the Black-Scholes option pricing model, binomial option pricing model or a comparable generally accepted methodology in the Company's interim and final statements of its financial results.

The adoption of the Share Option Scheme is conditional upon:–

- (1) the Shareholders passing an ordinary resolution at the 2022 AGM to approve the adoption of the Share Option Scheme; and
- (2) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of the Options to be granted under the Share Option Scheme.

If condition (2) is not satisfied on or before the date falling three (3) months after the Adoption Date (or such later date as the Board may decide), the Share Option Scheme shall forthwith determine and no person shall be entitled to any rights or benefits or be under any obligations under or in respect of the Share Option Scheme or any such Option.

No offer shall be made and no Option shall be granted to any Eligible Person:

- (a) after inside information (having the meaning defined in the SFO, as amended from time to time) has come to the Company's knowledge until (and including) the trading day after the Company has announced the information in accordance with the Listing Rules; or
- (b) during the period commencing one month immediately before the earlier of (i) the date of the meeting of the Board (as such date is first notified by the Company to the Stock Exchange in accordance with the Listing Rules) for approving the Company's results for any year, half-year or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement.

LETTER FROM THE BOARD

The Company currently has no share option schemes in force other than the Existing Share Option Scheme. The Existing Share Option Scheme was adopted by the Shareholders of the Company at a general meeting held on 31 May 2012. The Existing Share Option Scheme has a term of ten years and will expire on the Existing Share Option Scheme Expiry Date, being 30 May 2022.

Particulars of all of the Options granted and remaining outstanding pursuant to the Existing Share Option Scheme as at the Latest Practicable Date are as follows:

GRANTEE	DATE OF GRANT	EXERCISE PRICE (HK\$)	NUMBER OF OPTIONS OUTSTANDING
<i>Directors</i>			
Benny S. Santoso	8 April 2019	2.87	3,828,000
Madeleine Lee Suh Shin	8 April 2019	2.87	3,828,000
<i>Employees</i>			
Senior Executives	8 April 2019	2.87	<u>7,699,459</u>
Total:			15,355,459

As at the Latest Practicable Date, a total of 15,355,459 Options in respect of the Shares in the Company (representing approximately 0.36% of the total number of issued shares of the Company as at the Latest Practicable Date) remain outstanding as granted pursuant to the Existing Share Option Scheme. The Existing Share Option Scheme adopted in general meeting on 31 May 2012 shall remain valid and all Options granted under the Existing Share Option Scheme will continue to be administered under the terms of the Existing Share Option Scheme and their respective terms of issue. On and after the tenth anniversary of its adoption date (being 31 May 2022), no further Options will be granted pursuant to the Existing Share Option Scheme. Options granted and outstanding under the Existing Share Option Scheme shall continue to be valid and exercisable in accordance with their terms of issue and in all other respects, and the provisions of the Existing Share Option Scheme shall remain in full force and effect notwithstanding the expiry of the Existing Share Option Scheme.

The Company currently intends to, after the date of this circular and prior to the Existing Share Option Scheme Expiry Date, grant no more than 85,500,000 Options in aggregate, the underlying Shares of which represent approximately 2.00% of the total number of issued Shares of the Company as at the Latest Practicable Date, to selected Eligible Persons pursuant to the rules of the Existing Option Scheme (the “**Proposed Grant**”). If and upon the implementation of the Proposed Grant after the date of this circular and assuming that there is no further change in the number of outstanding Options under the Existing Option Scheme prior to its expiry, a total of no more than 100,855,459 Options in respect of the Shares in the Company (representing approximately 2.36% of the total number of issued shares of the Company as at the Latest Practicable Date) will remain outstanding under the Existing Share Option Scheme as at the Existing Share Option Scheme Expiry Date. The Company will make an announcement in compliance with the Listing Rules if and when the Proposed Grant is made.

LETTER FROM THE BOARD

The total number of Shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme (together with any other share option scheme(s) of the Company, which there are none as at the date of the 2022 AGM), shall not exceed 10% of the Shares in issue as at the date of passing of the relevant resolution at the 2022 AGM (the “**Scheme Mandate Limit**”). The overall limit on the number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme and other share option schemes must not exceed 30% of the Shares in issue from time to time (the “**Scheme Limit**”). Under the terms of the Share Option Scheme and Rule 17.03 of the Listing Rules, the 10% limit may be renewed in the future, subject to prior Shareholders’ approval, but in any event shall not exceed 10% of the issued share capital of the Company as at the date of the Shareholders’ approval of any such renewal. Options previously granted under the Existing Share Option Scheme or any other scheme(s) of the Company (including those outstanding, cancelled or lapsed in accordance with the relevant scheme rules and exercised Options) will not be counted for the purpose of calculating the 10% limit. Based on the 4,269,337,044 Shares in issue as at the Latest Practicable Date and assuming that there is no change in the issued share capital of the Company before the 2022 AGM, the maximum number of Shares that can be issued upon exercise of Options that may be granted after the date of the 2022 AGM under the Share Option Scheme (together with any other share option scheme(s) of the Company, which there are none as at the date of the 2022 AGM) is 426,933,704 Shares.

Based on 4,269,337,044 Shares in issue as at the Latest Practicable Date, a total of 1,280,801,113 Shares (representing approximately 30% of the Shares in issue) may be issued under the Scheme Limit. Assuming (i) the exercise of all of the outstanding Options granted under the Existing Share Option Scheme to subscribe for (a) an aggregate of 15,355,459 Shares (representing 0.36% of the total number of issued Shares as at the Latest Practicable Date) or (b) if and when the Proposed Grant described under the paragraph above is made, an aggregate of a maximum of 100,855,459 Shares (representing 2.36% of the total number of issued Shares as at the Latest Practicable Date), and (ii) the utilization in full of the Scheme Mandate Limit of the Share Option Scheme (being 426,933,704 Shares), the total number of Shares that may fall to be issued will be (a) 442,289,163 Shares (representing approximately 10.36% of the total number of issued Shares as at the Latest Practicable Date) or (b) 527,789,163 Shares (representing 12.36% of the total number of issued Shares as at the Latest Practicable Date), as the case may be, which will, in each case be within the Scheme Limit of 1,280,801,113 Shares.

None of the Directors is a trustee of the Share Option Scheme or has a direct or indirect interest in the trustee.

An application will be made to the Listing Committee of the Stock Exchange for approval of the listing of and permission to deal in the Shares that may be issued pursuant to the exercise of Options that may be granted under the Share Option Scheme. An announcement will be published by the Company in compliance with the Listing Rules in respect of the outcome of the proposed resolution to approve the Share Option Scheme as soon as practicable after (which is expected to be the business day immediately following) the 2022 AGM.

There is no material difference between the terms of the Existing Share Option Scheme and the terms of the Share Option Scheme. A summary of the principal terms of the Share Option Scheme is set out in Appendix III. A copy of the rules of the Share Option Scheme will be published on the websites of the Stock Exchange (www.hkexnews.hk) and of the Company (www.firstpacific.com) for display for a period of not less than 14 days before the 2022 AGM and will be made available for inspection at the 2022 AGM.

LETTER FROM THE BOARD

ADOPTION OF THE NEW MEMORANDUM OF ASSOCIATION AND BYE-LAWS

Special resolutions will be proposed at the 2022 AGM to adopt the New Memorandum of Association and Bye-laws in substitution for, and to the exclusion of, the existing Memorandum of Association and Bye-laws of the Company, as set out in Special Resolutions numbered 10 and 11 of the Notice.

The proposed amendments to the existing Bye-laws of the Company will enable the Bye-laws of the Company to, in combination with the applicable laws, rules and regulations of its place of incorporation, conform to the core shareholder protection standards set forth in Appendix 3 to the Listing Rules and incorporate certain minor housekeeping amendments. The proposed amendments to the Memorandum of Association as set out in Special Resolution numbered 11 of the Notice are to amend typographical errors to align the Memorandum of Association filed with the Registrar of Companies in Bermuda with the Existing Memorandum of Association (which for the avoidance of doubt will not change).

A summary of the proposed amendments to the Memorandum of Association and the existing Bye-laws of the Company is set out in Appendix IV of this circular to enable Shareholders to make an informed decision on whether to vote for or against the proposed Special Resolutions to adopt the New Memorandum of Association and Bye-laws.

The legal adviser to the Company as to Hong Kong law has confirmed that the New Memorandum of Association and Bye-laws comply with the requirements of the Listing Rules. The legal adviser to the Company as to Bermuda law has confirmed that the New Memorandum of Association and Bye-laws comply with the applicable laws of Bermuda. The Company confirms that there is nothing unusual about the proposed amendments for a Bermuda company listed on the Stock Exchange.

Shareholders are advised that the New Memorandum of Association and Bye-laws are available in English as well as a Chinese translated version, which is for reference only. In case of any inconsistency, the English version shall prevail.

The New Memorandum of Association and Bye-laws will be available for inspection at the Company's Principal Office at 24th Floor, Two Exchange Square, 8 Connaught Place, Central, Hong Kong from 9:00 a.m. to 5:00 p.m. Monday to Friday (excluding public holidays) from the date hereof up to and including Thursday, 16 June 2022.

PROCEDURES TO DEMAND A POLL AT THE ANNUAL GENERAL MEETING

Consistent with the Listing Rule requirements and good corporate governance practices, the Chairman of the 2022 AGM will demand a poll for each of the resolutions set out in the Notice.

In accordance with Bye-law 79, every resolution put to the vote at a Shareholders' meeting shall be decided on a show of hands unless a poll is required by the Listing Rules or (before or on the declaration of the result of the show of hands) is demanded by:

- (i) the chairman; or

LETTER FROM THE BOARD

- (ii) at least three (3) members present in person or by proxy for the time being entitled to vote at the meeting; or
- (iii) any member or members present in person or by proxy and representing not less than one-tenth (1/10th) of the total voting rights of all the members having the right to vote at the meeting; or
- (iv) a member or members present in person or by proxy and holding Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth (1/10th) of the total sum paid up on all the Shares conferring that right.

In accordance with Bye-law 80, if a poll is required or demanded in the manner aforesaid, it shall be taken (subject as provided in Bye-law 81) in such manner (including the use of ballot or voting papers or tickets or some other means of identification, passcode, electronic voting or otherwise) and at such time, not more than thirty (30) days from the date of the meeting or adjourned meeting at which the poll was demanded, as the Chairman directs. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein misleading.

RECOMMENDATION

Your Directors are of the opinion that passing each of the resolutions to be proposed at the 2022 AGM is in the best interests of the Company and its Shareholders and recommend you to vote in favor of all the resolutions. The Directors have indicated that the votes attaching to the Shares owned by them and their respective close associates (as defined in the Listing Rules) will, where entitled, be cast in favor of all the resolutions to be proposed at the 2022 AGM.

Yours faithfully,
For and on behalf of the Board of
First Pacific Company Limited
Manuel V. Pangilinan
Managing Director and Chief Executive Officer

The following are the particulars of the four retiring Directors proposed to be re-elected at the 2022 AGM:

1. Mr. Manuel V. Pangilinan (“Mr. Pangilinan”)

Managing Director and Chief Executive Officer

Age 75, Mr. Pangilinan graduated cum laude from the Ateneo de Manila University, with a Bachelor of Arts degree in Economics. He received his MBA degree from the Wharton School at the University of Pennsylvania. In Manila, he worked for Philippine Investment Management Consultants Inc. (PHINMA) in the Philippines, and in Hong Kong with Bancom International Limited and American Express Bank. Thereafter he founded First Pacific in May 1981.

Mr. Pangilinan served as Managing Director of First Pacific since its founding in 1981 until 1999. He was appointed Executive Chairman until June 2003, after which he was named Managing Director and Chief Executive Officer. Mr. Pangilinan holds the positions of President Commissioner of PT Indofood Sukses Makmur Tbk in Indonesia. In the Philippines, Mr. Pangilinan is the Chairman, President and Chief Executive Officer of Metro Pacific Investments Corporation, the Chairman of PLDT Inc., Smart Communications, Inc., ePLDT, Inc., PLDT Communications and Energy Ventures, Inc., Manila Electric Company (Meralco), Global Business Power Corporation, Maynilad Water Services, Inc., Metro Pacific Tollways Corporation, NLEX Corporation, Philex Mining Corporation, PXP Energy Corporation, Landco Pacific Corporation, Medical Doctors, Inc. (Makati Medical Center), Davao Doctors, Inc., Colinas Verdes Corporation (Cardinal Santos Medical Center), Mediaquest Holdings, Inc. and Associated Broadcasting Corporation (TV 5), and the Vice Chairman of Roxas Holdings, Inc.

In recognition of Mr. Pangilinan’s contributions to the country, the Philippine Air Force awarded him the rank of Lieutenant Colonel (Res) in a promotion list approved by the Philippine President in July 2021. In 2006, the Office of the President of the Philippines awarded Mr. Pangilinan the Order of Lakandula with the rank of Komandante. He was named Management Man of the Year 2005 by the Management Association of the Philippines. Mr. Pangilinan was awarded the First Honorary Doctorate Degree in Management by Asian Institute of Management in 2016, Honorary Doctorate in Science by Far Eastern University in 2010, in Humanities by Holy Angel University in 2008, by Xavier University in 2007 and by San Beda College in 2002 in the Philippines. He was formerly Chairman of the Board of Trustees of the Ateneo de Manila University and was a member of the Board of Overseers of the Wharton School.

In civic duties, Mr. Pangilinan sits as Chairman of the Philippine Business for Social Progress (PBSP), PLDT-Smart Foundation Inc., One Meralco Foundation Inc., Makati Medical Foundation Inc., and the Board of Trustees of San Beda College. He is Co-Chairman of the Philippine Disaster Resilience Foundation (PDRF), the Board of Trustees of Stratbase Albert del Rosario Institute, and the U.S.–Philippine Society. He is also a Director of the Philippine Business for Education (PBED).

In sports, Mr. Pangilinan is Chairman of the MVP Sports Foundation, Inc., Chairman Emeritus of the Samahang Basketbol ng Pilipinas and Chairman of the Amateur Boxing Association of the Philippines (ABAP).

As at the Latest Practicable Date, Mr. Pangilinan was interested, or was deemed to be interested, in the following long positions in the Shares, underlying shares and debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO:

- i. 70,493,078 ordinary shares of the Company (inclusive of interests in 29,033,817 shares transferred to certain family trusts);
- ii. 31,622,404 common shares in MPIC;
- iii. 291,494 common shares in PLDT as beneficial owner and a further 15,417 common shares in PLDT as nominee;
- iv. 4,655,000 common shares in Philex;
- v. 1,603,465 common shares in PXP Energy;
- vi. 55,000 common shares in Meralco;
- vii. 61,547 common shares in RHI; and
- viii. US\$1,000,000 of bonds due 2027 issued by FPC Resources Limited, which is a wholly-owned subsidiary of the Company.

There is no agreement on the amount of director's fee payable to Mr. Pangilinan and his director's fee will be determined by the Board with reference to his position, level of responsibilities, remuneration policy of the Company and the prevailing market conditions.

The amount of remuneration paid to Mr. Pangilinan for the year ended 31 December 2021, is set out in Note 37(A) to the consolidated accounts headed "Directors' Remuneration" on page 196 in First Pacific's 2021 Annual Report.

Save as disclosed herein, Mr. Pangilinan has no financial or family relationships with any other Directors, senior management or substantial or controlling shareholders of the Company.

Furthermore, Mr. Pangilinan does not have any matter that was required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules or that needs to be brought to the attention of the Shareholders as at the Latest Practicable Date.

2. Prof. Edward K.Y. Chen, GBS, CBE, JP (“Prof. Chen”)*Independent Non-executive Director*

Age 76, educated at the University of Hong Kong and Oxford University, Prof. Chen is an Independent Non-executive Director of Wharf Holdings Limited. He has served as President of Lingnan University; Professor and Director of the Centre of Asian Studies of the University of Hong Kong; Chairman of Hong Kong’s Consumer Council; as an Executive Councillor of the Hong Kong Government; and as a Legislative Councillor. He is now the Chairman of the HKU SPACE Board of Directors, a Board Director of the Hong Kong Institute for Monetary Research of the Hong Kong Monetary Authority and a Distinguished Fellow of the Hong Kong Institute for the Humanities and Social Sciences at the University of Hong Kong. Prof. Chen joined First Pacific’s Board in 1993.

As at the Latest Practicable Date, Prof. Chen was interested, or was deemed to be interested, in the following long positions in the Shares, underlying shares and debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO:

- i. 2,946,559 ordinary shares of the Company.

Prof. Chen has not entered into any service contract with the Company. In addition to any remuneration otherwise payable under the Company’s Bye-laws, as an Independent Non-executive Director, Prof. Chen is entitled to receive the sum of US\$7,000 (equivalent to approximately HK\$54,600) for each meeting of the Board (which he attends in person or by telephone or video conference call) and each general meeting of Shareholders (which he attends in person); and US\$6,000 (equivalent to approximately HK\$46,800) for each meeting of the Board Committees (which he attends in person or by telephone or video conference call), as shall be determined by the Board from time to time. Details of Prof. Chen’s remuneration for the year ended 31 December 2021 are set out in Note 37(A) to the consolidated accounts headed “Directors’ Remuneration” on page 196 in First Pacific’s 2021 Annual Report.

Save as disclosed herein, Prof. Chen has no financial or family relationships with any other Directors, senior management or substantial or controlling shareholders of the Company.

Furthermore, Prof. Chen does not have any matter that was required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of Listing Rules or that needs to be brought to the attention of the Shareholders as at the Latest Practicable Date.

3. Mrs. Margaret Leung Ko May Yee, SBS, JP (“Mrs. Leung”)*Independent Non-executive Director*

Age 69, Mrs. Leung holds a Bachelor’s Degree in Economics, Accounting and Business Administration from the University of Hong Kong. She was the Vice-Chairman and CEO of Hang Seng Bank Limited and Chairman of Hang Seng Bank (China) Limited prior to her retirement on 30 June 2012. Mrs. Leung also held various pivotal positions in HSBC Holdings Plc and The Hongkong and Shanghai Banking Corporation Limited from February 1978 until 30 June 2012. She was the Deputy Chairman and Managing Director of Chong Hing Bank Limited from February 2014 to May 2018. She was also an Independent Non-executive Director of the Hong Kong listed Swire Pacific Limited, Hutchison Whampoa Limited, China Construction Bank Limited, Hong Kong Exchanges and Clearing Limited, and Li & Fung Limited. Mrs. Leung was the Chairman of the Board of Governors of Hang Seng Management College and Hang Seng School of Commerce until March 2013, and a Member of the Advisory Board and Chairman of the Investment Committee of the Hong Kong Export Credit Insurance Corporation until December 2010.

Mrs. Leung is a council member and Treasurer of the University of Hong Kong, the Vice-Chairman of the Advisory Committee on Arts Development, a member of the Public Service Commission, the Advisory Committee on Post-office Employment for Former Chief Executives and Politically Appointed Officials and the Law Reform Commission. She is an Independent Non-executive Director of Sun Hung Kai Properties Limited and Agricultural Bank of China Limited. Mrs. Leung joined First Pacific’s Board in December 2012.

As at the Latest Practicable Date, Mrs. Leung was interested, or was deemed to be interested, in the following long positions in the Shares, underlying shares and debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO:

- i. 2,088,652 ordinary shares of the Company.

Mrs. Leung has not entered into any service contract with the Company. In addition to any remuneration otherwise payable under the Company’s Bye-laws, as an Independent Non-executive Director, Mrs. Leung is entitled to receive the sum of US\$7,000 (equivalent to approximately HK\$54,600) for each meeting of the Board (which is she attends in person or by telephone or video conference call) and each general meeting of Shareholders (which she attends in person); and US\$6,000 (equivalent to approximately HK\$46,800) for each meeting of the Board Committees (which she attends in person or by telephone or video conference call), as shall be determined by the Board from time to time. Details of Mrs. Leung’s remuneration for the year ended 31 December 2021 are set out in Note 37(A) to the consolidated accounts headed “Directors’ Remuneration” on page 196 in First Pacific’s 2021 Annual Report.

Save as disclosed herein, Mrs. Leung has no financial or family relationships with any other Directors, senior management or substantial or controlling shareholders of the Company.

Furthermore, Mrs. Leung does not have any matter that was required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of Listing Rules or that needs to be brought to the attention of the Shareholders as at the Latest Practicable Date.

4. Mr. Christopher H. Young (“Mr. Young”)

Executive Director and Chief Financial Officer

Age 64, Mr. Young graduated from Waid Academy in Scotland and received a Master of Arts (Honors) degree in Economics from St. Andrews University.

He is currently a Director of Metro Pacific Investments Corporation, PacificLight Power Pte. Ltd. and Roxas Holdings, Inc. and a member of the Advisory Board of PLDT Inc. He also serves as Commissioner of PT Indofood Sukses Makmur Tbk and a Trustee of IdeaSpace Foundation, Inc.

Mr. Young worked for PricewaterhouseCoopers in London and Hong Kong from 1979 until 1987, at which time he joined First Pacific in Hong Kong as Group Financial Controller. He joined Metro Pacific Corporation in 1995 as Finance Director, a position he held until he joined PLDT as its Chief Financial Advisor in November 1998. Mr. Young returned to First Pacific in 2015 as Chief Financial Officer and joined the First Pacific Board in August 2017.

As at the Latest Practicable Date, Mr. Young was interested, or was deemed to be interested, in the following long positions in the Shares, underlying shares and debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO:

- i. 8,385,189 ordinary shares of the Company;
- ii. 54,313 common shares in PLDT; and
- iii. 61,547 common shares in RHI.

There is no agreement on the amount of director’s fee payable to Mr. Young and his director’s fee will be determined by the Board with reference to his position, level of responsibilities, remuneration policy of the Company and the prevailing market conditions.

The amount of remuneration paid to Mr. Young for the year ended 31 December 2021, is set out in Note 37(A) to the consolidated accounts headed “Directors’ Remuneration” on page 196 in First Pacific’s 2021 Annual Report.

Save as disclosed herein, Mr. Young has no financial or family relationships with any other Directors, senior management or substantial or controlling shareholders of the Company.

Furthermore, Mr. Young does not have any matter that was required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules or that needs to be brought to the attention of the Shareholders as at the Latest Practicable Date.

This appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to accompany the Notice, which includes a proposed resolution in relation to the repurchase by the Company of its own Shares.

1. REPURCHASE MANDATE

The relevant sections of the Listing Rules which permit companies with a primary listing on the Stock Exchange to repurchase their shares on the Stock Exchange, subject to certain restrictions, are summarised below:

(a) Shareholders' approval

The Listing Rules provide that all proposed repurchases of shares by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of shareholders, either by way of general mandate or by specific approval of a particular transaction. The Listing Rules require an explanatory statement such as is contained herein to be sent to Shareholders in order to give Shareholders adequate information to enable them to decide whether to approve the grant of such a mandate.

(b) Source of funds

Repurchases must be funded out of funds legally available for the purpose in accordance with the Company's Memorandum of Association and Bye-laws and the laws of Bermuda.

(c) Maximum number of shares to be repurchased

The Shares proposed to be repurchased by the Company must be fully paid up. A maximum of 10% of the number of issued shares of the Company at the date of passing the relevant resolution may be repurchased on the Stock Exchange. On the basis of the existing number of issued shares of the Company of 4,269,337,044 Shares as at the Latest Practicable Date, and assuming no further exercise of options granted by the Company pursuant to the Company's Existing Share Option Scheme and no further Shares are issued or repurchased by the Company prior to the 2022 AGM, not more than 426,933,704 Shares may be repurchased on the Stock Exchange pursuant to the Repurchase Mandate.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and its Shareholders to continue with the Share Repurchase Program and to seek a general authority from Shareholders to enable the Company to repurchase Shares on the Stock Exchange. Such repurchases, depending on market conditions and funding arrangements at the time, may lead to enhancement of the net asset value of the Company and/or earnings per Share and will be made only when the Directors believe that such repurchases will benefit the Company and its Shareholders.

3. FUNDING OF REPURCHASES

Repurchases must be funded out of funds legally available for the purpose in accordance with the Company's Memorandum of Association and Bye-laws and the laws of Bermuda.

The Directors would exercise the power to repurchase in circumstances only where they consider that the repurchase would be in the best interests of the Company and in circumstances where they consider that the Shares can be repurchased on terms favorable to the Company. On the basis of the audited consolidated financial position of the Company as at 31 December 2021, being the date to which the latest published audited accounts of the Company were made up, the Directors consider that if the general mandate to repurchase Shares were to be exercised in full in the next 12 months at the currently prevailing market price, it could have a material adverse impact on the working capital position and gearing position of the Company.

The Directors do not propose to exercise the Repurchase Mandate to such extent as, in the circumstances, would have a material adverse effect on the working capital requirements of the Company as compared with the position disclosed in the latest published audited accounts or the gearing levels that in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE PRICE

The Company has repurchased a total of 37,132,000 Shares on the Stock Exchange during the six months preceding the Latest Practicable Date, all of which have been subsequently cancelled. Details of the Shares repurchased by the Company are set out as follows:

Date of Repurchase	Number of shares repurchased	Highest Price paid <i>HK\$</i>	Lowest Price paid <i>HK\$</i>
25 October 2021	400,000	3.09	3.06
26 October 2021	352,000	3.15	3.13
27 October 2021	500,000	3.17	3.13
28 October 2021	498,000	3.10	3.06
1 November 2021	648,000	3.10	3.03
2 November 2021	600,000	3.08	3.04
3 November 2021	526,000	3.03	3.00
5 November 2021	800,000	3.03	2.98
8 November 2021	800,000	2.96	2.93
9 November 2021	412,000	2.97	2.95
11 November 2021	760,000	3.03	2.93
12 November 2021	560,000	3.01	2.97
15 November 2021	600,000	3.02	2.98
16 November 2021	28,000	3.05	3.00
17 November 2021	400,000	3.07	3.06
18 November 2021	400,000	3.01	2.99
19 November 2021	600,000	2.96	2.93
22 November 2021	558,000	2.96	2.91
23 November 2021	510,000	2.98	2.93
24 November 2021	800,000	3.00	2.95
25 November 2021	568,000	2.96	2.93
26 November 2021	800,000	2.90	2.87
29 November 2021	378,000	2.90	2.87
1 December 2021	1,000,000	2.89	2.85
2 December 2021	800,000	2.88	2.85
3 December 2021	1,000,000	2.86	2.83
6 December 2021	1,000,000	2.84	2.80
7 December 2021	464,000	2.82	2.79
8 December 2021	848,000	2.84	2.81

Date of Repurchase	Number of shares repurchased	Highest Price paid <i>HK\$</i>	Lowest Price paid <i>HK\$</i>
9 December 2021	336,000	2.90	2.90
10 December 2021	500,000	2.91	2.85
13 December 2021	672,000	2.90	2.87
14 December 2021	800,000	2.95	2.91
15 December 2021	800,000	2.94	2.89
16 December 2021	500,000	2.93	2.91
17 December 2021	346,000	2.90	2.88
21 December 2021	482,000	2.83	2.80
22 December 2021	400,000	2.85	2.81
23 December 2021	706,000	2.85	2.84
24 December 2021	800,000	2.85	2.82
28 December 2021	1,000,000	2.90	2.84
29 December 2021	238,000	2.87	2.85
30 December 2021	1,000,000	2.87	2.84
31 December 2021	1,166,000	2.88	2.86
13 January 2022	500,000	2.91	2.87
17 January 2022	480,000	2.95	2.92
18 January 2022	552,000	2.97	2.94
19 January 2022	500,000	3.00	2.97
20 January 2022	500,000	3.01	2.97
21 January 2022	500,000	3.04	3.01
24 January 2022	500,000	3.03	3.00
25 January 2022	500,000	2.97	2.94
26 January 2022	1,000,000	3.00	2.97
27 January 2022	692,000	3.00	2.96
28 January 2022	800,000	3.00	2.98
4 February 2022	738,000	3.05	3.03
22 February 2022	1,000,000	3.23	3.14
23 February 2022	668,000	3.25	3.22
25 February 2022	846,000	3.12	3.07
TOTAL	37,132,000		

The following table shows the highest and lowest prices at which the Shares were traded on the Stock Exchange in each of the previous twelve months immediately preceding the Latest Practicable Date:

Month	Highest traded price <i>HK\$</i>	Lowest traded price <i>HK\$</i>
2021		
April	2.82	2.54
May	2.74	2.56
June	3.13	2.53
July	2.82	2.41
August	2.96	2.47
September	3.30	2.64
October	3.23	2.60
November	3.14	2.79
December	2.96	2.72
2022		
January	3.04	2.78
February	3.47	3.01
March	3.22	2.65
April (up to and including the LPD)	3.31	2.92

5. DISCLOSURE OF INTERESTS

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) currently intend to sell Shares to the Company, in the event that the proposed Repurchase Mandate is approved by Shareholders.

No core connected persons (as defined in the Listing Rules) have notified the Company that they have any present intention to sell any Shares, or have undertaken not to sell any Shares held by them to the Company, in the event that the Repurchase Mandate is approved by Shareholders.

6. TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory general offer in accordance with Rule 26 of the Takeovers Code. It is the intention of the Board to implement the Share Repurchase Program only in such a way and only to such an extent that it would not cause a mandatory general offer obligation to arise for any Shareholder under Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the Substantial Shareholders beneficially owned Shares representing approximately 45.1% of the total number of issued Shares of the Company. If the Directors were to exercise the Repurchase Mandate in full, such Shares owned by the Substantial Shareholders would represent approximately 50.1% of the then total number of issued Shares of the Company (assuming no additional Shares are issued by the Company). As a result, the Substantial Shareholders would become obliged to make a mandatory general offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any other consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Repurchase Mandate.

At present, the Company has no intention to exercise the Repurchase Mandate in such a way and to such an extent that would cause a mandatory general offer obligation to arise for the Substantial Shareholders.

The Directors will not exercise the Repurchase Mandate if the repurchase would result in the number of listed Shares which are in the hands of the public falling below the relevant prescribed minimum percentage as required under the Listing Rules.

7. DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the laws of Bermuda.

1. PURPOSE AND DURATION OF THE SHARE OPTION SCHEME

- (A) The Share Option Scheme is an incentive scheme and is established to provide Eligible Persons with the opportunity to acquire proprietary interests in the Company and to enable the Group to, (i) recognise and acknowledge the contributions that Eligible Persons have (or may have) made or may make to the Group (whether directly or indirectly); (ii) attract and retain and appropriately remunerate the best possible quality of employees and other Eligible Persons; (iii) motivate the Eligible Persons to optimise their performance and efficiency for the benefit of the Group; (iv) enhance its business, employee and other relations; and/or (v) retain maximum flexibility as to the range and nature of rewards and incentives which the Company can offer to Eligible Persons.
- (B) Subject to paragraph 11, the Share Option Scheme shall be valid and effective for the period of ten years commencing on the Adoption Date. On and after the tenth anniversary of the Adoption Date, no further Options shall be granted but in all other respects the provisions of the Share Option Scheme shall remain in full force and effect. Options which are granted during the life of the Share Option Scheme shall continue to be exercisable in accordance with their terms of issue.

2. OPTIONS

- (A) The Board shall, in accordance with the provisions of the Share Option Scheme, be entitled, at any time following the Adoption Date and before the tenth anniversary of the Adoption Date, to offer to grant an Option to any Eligible Person whom the Board may, in its absolute discretion, select and subject to such conditions as it may think fit. Notwithstanding the foregoing the total number of Shares issued and to be issued upon exercise of Options granted and to be granted to any single Eligible Person, whether or not already a Grantee, in any 12-month period shall be subject to a limit that it shall not exceed 1% of the Shares in issue at the relevant time (the “**Individual Limit**”). Any grant or further grant of Options to an Eligible Person (whether or not already a Grantee) which would result in the Shares issued and that may be issued upon exercise of all Options granted and to be granted (and any other Options granted or to be granted outside the terms of the Share Option Scheme, if any) to such Eligible Person (including those Shares issued or issuable in respect of exercised and/or outstanding Options) in the 12-month period up to and including the date of such further grant exceeding the Individual Limit shall be subject to the prior approval of Shareholders, on which approval the Eligible Person and his or her associates abstain from voting. The Company shall send to the Shareholders the notice of the relevant meeting, together with details of the identity of the Eligible Person and the number and terms of the Options granted and proposed to be granted (and any other Options granted or to be granted outside the terms of the Share Option Scheme, if any). The number and terms of Options proposed to be granted to such Eligible Person shall be fixed before Shareholders’ approval is sought.

- (B) If in accordance with sub-paragraph (A) the Board determines to grant an Option to an Eligible Person, the Board shall forward to such Eligible Person a letter of offer, in such form as the Board may from time to time determine stating, amongst other things:–
- (i) the Eligible Person's name and address;
 - (ii) the Date of Grant (being the date of the letter of offer);
 - (iii) the number of Shares in respect of which the Option is granted;
 - (iv) the Exercise Price and the manner of payment of the Exercise Price for the Shares on, and in consequence of, the exercise of the Option;
 - (v) the Expiry Date;
 - (vi) the method of exercise of the Option which shall, unless the Board otherwise determines, be as set out in paragraph 4; and
 - (vii) any other terms and conditions relating to the Option (including, but not limited to, any minimum period(s) for which that Option must be held and any minimum performance target(s) that must be reached before the Option can be exercised in whole or in part and any terms as to early termination of an Option) which are not inconsistent with the Share Option Scheme.
- (C) No consideration is payable by the Grantee upon acceptance of an Option. An Option shall be deemed to have been granted and accepted by the Grantee and to have taken effect upon the Date of Grant unless the Grantee rejects the grant in writing within 14 days after the Date of Grant. Any Option so rejected shall be deemed null and void and never to have been granted.
- (D) The Options will not be listed or dealt in on the Stock Exchange.
- (E) An Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any Option or attempt so to do. Any breach of the foregoing shall entitle the Company to cancel any outstanding Options or part thereof granted to such Grantee (including, but not limited to, the Option in question).
- (F) Any Options granted but not exercised may be cancelled if the Grantee thereof so agrees and (if the Board so resolves) new Options may be granted to that Grantee provided that such new Options are granted within the limits prescribed by paragraph 6 and are otherwise granted in accordance with the terms of the Share Option Scheme.

- (G) Each grant of Options to any director, chief executive or substantial shareholder of the Company, or any of his or her associates shall be subject to the prior approval of the independent non-executive directors of the Company (excluding any independent non-executive director in the circumstances where he or she or any of his or her associates is the proposed Grantee). Where any grant of Options to a substantial shareholder or an independent non-executive director of the Company, or to any of his or her respective associates would result in the Shares issued and issuable upon exercise of all Options already granted and to be granted (and any other Options granted or to be granted outside the terms of the Share Option Scheme, if any) to such person (including Options exercised, cancelled and outstanding) in the 12-month period up to and including the date of such grant:–
- (i) representing in aggregate over 0.1% (or such other percentage as may from time to time be specified by the Stock Exchange) of the Shares in issue; and
 - (ii) having an aggregate value, based on the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange on the Date of Grant, in excess of HK\$5 million (or such other amount as may from time to time be specified by the Stock Exchange),

such grant of Options shall be subject to prior approval by resolution of the Shareholders (voting by way of poll) on which all connected persons of the Company abstain from voting in favour; save that (for the avoidance of doubt), any connected person may, without affecting the validity of the relevant resolution, vote against the relevant resolution at the general meeting provided that its intention to do so has been stated in the circular to be sent to the Shareholders in connection therewith.

- (H) No offer shall be made and no Option shall be granted to any Eligible Person at a time when the Eligible Person would or might be prohibited from dealing in the Shares by the Listing Rules or by any applicable rules, regulations or law.

3. EXERCISE PRICE

The Exercise Price in relation to each Option shall be determined by the Board in its absolute discretion but in any event shall not be less than the highest of (i) the closing price of the Shares as stated in the daily quotations sheet of the Stock Exchange on the Date of Grant; (ii) the average closing price of the Shares as stated in the daily quotations sheets of the Stock Exchange for the five days last preceding the Date of Grant on which days it has been possible to trade Shares on the Stock Exchange; and (iii) the nominal value of a Share on the Date of Grant.

4. EXERCISE OF OPTIONS

- (A) An Option may, subject to the terms and conditions upon which such Option is granted, be exercised in whole or in part in the manner set out in this paragraph 4. An Option may be exercised during the option period only by the Grantee (or his or her legal personal representatives) giving notice in writing to the Company (in such form as the Company may require, either generally or on a case by case basis) stating that the Option is thereby exercised and the number of Shares in respect of which it is exercised. Where the Option is exercised in part, it must be exercised for such number of Shares as represent the board lot for dealings in Shares traded on the Stock Exchange, or an integral multiple thereof.

Each such notice must be either (i) accompanied by a remittance for the full amount of the Exercise Price for the Shares in respect of which the notice is given; or (ii) given in conjunction with such alternative arrangement in respect of the timing for the remittance for the full amount of the Exercise Price as may be approved by the Board from time to time (provided that the Exercise Price must be paid in cash). Within 21 days after receipt of the notice and the remittance and, where appropriate, receipt of the auditor's or independent financial adviser's certificate pursuant to paragraph 7, the Company shall allot and issue the relevant Shares to the Grantee (or his or her nominee or legal personal representatives) credited as fully paid and issue to the Grantee (or his or her nominee or legal personal representatives) certificates in respect of the Shares so allotted.

- (B) Subject to the terms and conditions upon which such Option is granted, an Option may be exercised by the Grantee at any time during the option period, provided that:–

(i) in the event of:–

- (a) the Grantee ceasing to be an Eligible Person for any reason other than his or her death; or
- (b) the Grantee (being an employee of any member of the Group) ceasing to be an employee of any member of the Group, notwithstanding that he or she might otherwise constitute an Eligible Person in some other capacity,

the Option shall lapse upon the date of such cessation and shall not be exercisable thereafter, unless the Board determines otherwise (and whether such determination is made before or after the date of such cessation), in which event the Option shall be exercisable to the extent and within such period as the Board may determine. In the case of a cessation of employment, the date of cessation shall be the last actual working day on which the Grantee was physically at work as an employee of the relevant Group member, whether or not salary is paid in lieu of notice;

- (ii) if the Grantee dies before exercising the Option in full and, in the case of an employee of any member of the Group at the date of death, none of the events for termination of employment under paragraph 5(A)(iv) exists with respect to such Grantee (and subject always to the provisions of sub-paragraph 5(B)), the personal representative(s) of the Grantee shall be entitled, within a period of six months from the date of death, to exercise the Option up to the entitlement of such Grantee as at the date of death;
- (iii) if a general offer (other than one by way of scheme of arrangement) is made to all the holders of Shares (or all such holders other than the offeror, any person controlled by the offeror and any person acting in concert with the offeror) and such offer becomes or is declared unconditional prior to the expiry date of the relevant Option, the Company shall forthwith give notice thereof to the Grantee and the Grantee shall be entitled to exercise the Option to its full extent or, if the Company shall give the relevant notification, to the extent specified by the Company pursuant to sub-paragraph (C)(ii) at any time within such period as shall be specified by the Company;
- (iv) if a general offer by way of scheme of arrangement is made to all the holders of Shares and has been approved at the requisite meetings in the manner prescribed by the Companies Act 1981 of Bermuda (as amended from time to time) and the Takeovers Code, the Company shall forthwith give notice thereof to the Grantee and the Grantee may at any time thereafter (but before such time as shall be specified by the Company) exercise the Option to its full extent or, if the Company shall give the relevant notification, to the extent specified by the Company pursuant to sub-paragraph (C)(ii);
- (v) in the event a notice is given by the Company to its shareholders to convene a shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall forthwith give notice thereof to the Grantee and the Grantee may at any time thereafter (but before such time as shall be specified by the Company) exercise the Option to its full extent or, if the Company shall give the relevant notification, to the extent specified by the Company pursuant to sub-paragraph (C)(ii), and the Company shall as soon as possible, and in any event no later than three days prior to the date for which the shareholders' meeting is convened, allot, issue and register in the name of the Grantee such number of fully paid Shares as fall to be issued on exercise of such Option; and
- (vi) in the event of any scheme of arrangement between the Company and its members and/or creditors (other than a scheme of arrangement contemplated in sub-paragraph (B)(iv) above), the Company shall, having given notice of the meeting to its members and/or creditors to consider such scheme, forthwith give notice of the same to the Grantee, and the Grantee may at any time thereafter (but before such time as shall be specified by the Company) exercise the Option to its full extent or, if the Company shall give the relevant notification, to the extent specified by the Company pursuant to sub-paragraph (C)(ii).

- (C) For the purpose of this paragraph 4:–
- (i) any references to exercising an Option shall refer to exercising that Option up to the extent not already exercised;
 - (ii) pursuant to sub-paragraphs (B)(iii), (iv), (v) and (vi), the Company may, in its discretion, notwithstanding the terms of the relevant Option, at the same time as giving the notice provided for under each of those paragraphs, also give notification to a Grantee that his or her Option may be exercised at any time within such period as shall be specified by the Company and/or to the extent (not being less than the extent to which it could then be exercised in accordance with its terms) specified by the Company; and
 - (iii) if the Company gives the notification under sub-paragraph (C)(ii) that an Option can be exercised in part only, the balance of the Option shall, on the giving of such notification, lapse.
- (D) The exercise of any Option shall be subject to the Shareholders of the Company in general meeting approving any necessary increase in the authorised share capital of the Company.
- (E) The Shares to be allotted and issued upon the exercise of an Option shall be subject to all the provisions of the Memorandum of Association and Bye-laws of the Company and Bermuda law for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date the name of the Grantee (or his or her nominee or legal personal representatives) is registered on the Register of Members of the Company. Prior to the Grantee (or the Grantee's nominee or legal personal representatives) being so registered, the Grantee (or the Grantee's nominee or legal personal representatives) shall not have any voting rights nor rights to participate in any dividends or distributions (including those arising on a liquidation of the Company) in respect of the Shares to be allotted and issued upon the exercise of the Option.
- (F) The Board shall have discretion as to the interpretation and application of the Share Option Scheme (including but not limited to discretion to grant waivers or extensions of any period specified in the Share Option Scheme or any letter of offer) to the extent such interpretation or application is not contrary to the explicit provisions of the Share Option Scheme or of Chapter 17 of the Listing Rules.

5. EXPIRY OF OPTION

- (A) An Option shall lapse automatically (to the extent not already exercised) on the earliest of:–
- (i) the Expiry Date;
 - (ii) the expiry of any of the periods referred to in sub-paragraph 4(B);
 - (iii) subject to sub-paragraph 4(B)(v), the date of commencement of the winding-up of the Company;
 - (iv) in the case of a Grantee (who is an employee of any member of the Group), the date on which:–
 - (a) he or she ceases to be an employee, following his or her resignation from the employment of any member of the Group; or
 - (b) his or her employment with any member of the Group is terminated on the grounds that he or she is summarily dismissed, is guilty of serious misconduct, is declared bankrupt or makes an arrangement or composition with his or her creditors generally, or is convicted of any criminal offence involving his or her integrity or honesty;
 - (v) in the case of a Grantee (which is not an individual), the date on which it appears either to be unable to pay or to have no reasonable prospect of being able to pay its debts or becomes insolvent or makes any arrangement or composition with its creditors generally;
 - (vi) the date on which the Board exercises the Company's right to cancel the Option at any time after the Grantee commits a breach of sub-paragraph 2(E); or
 - (vii) if the Board at its absolute discretion determines that the Grantee (other than a director or employee) has committed any breach of any contract entered into between the Grantee and the Group or that the Grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with the Grantee's creditors generally, the Board shall determine that the Options granted to the Grantee under the Share Option Scheme have lapsed. In such event, the Grantee's Options will lapse automatically and will not in any event be exercisable on or after the date on which the Board has made such determination.

A resolution of the Board to the effect that the employment of a Grantee has terminated, or been terminated, on one or more of the grounds specified in paragraph 5(A)(iv)(b) shall be conclusive evidence thereof.

- (B) If the Grantee is an employee of any member of the Group then, notwithstanding any other term of the Share Option Scheme or of the grant of the relevant Option (but subject always to any waiver or extension granted by the Board), such Option shall lapse automatically (to the extent not already exercised) should he or she cease to be so employed for any reason whatsoever (including his or her death) during the 12-month period following the Date of Grant.

6. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

- (A) The overall limit on the number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme and other share option schemes must not exceed 30% of the Shares in issue from time to time (the “**Scheme Limit**”). In addition, the maximum number of Shares in respect of which Options may be granted under the Share Option Scheme and any other schemes of the Company shall not in aggregate exceed the limit of 10% of the issued share capital of the Company on the Adoption Date (the “**Scheme Mandate Limit**”). Options lapsed in accordance with paragraph 5 or rejected in accordance with sub-paragraph 2(C) shall not be counted for the purpose of calculating the Scheme Mandate Limit.
- (B) The Scheme Mandate Limit referred to in sub-paragraph 6(A) may be renewed at any time subject to prior Shareholders’ approval but in any event shall not exceed 10% of the issued share capital of the Company as at the date of approval of the renewal of the Scheme Mandate Limit. Options previously granted under the Share Option Scheme (including those outstanding, cancelled, lapsed or exercised) shall not be counted for the purpose of calculating the limit as renewed.
- (C) The Company may also, having first obtained separate Shareholders’ approval, grant Options beyond the Scheme Mandate Limit to Eligible Persons specifically identified by the Company before the Shareholders’ meeting at which the aforesaid approval is sought.

7. CAPITAL RESTRUCTURING

In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable, and such event arises from a capitalisation of profits or reserves, rights issue, consolidation, sub-division or reduction of share capital of the Company (except on an issue of securities of the Company as consideration in a transaction which shall not be regarded as circumstances requiring alteration or adjustment), such corresponding alterations (if any) shall be made in:–

- (i) the number of Shares subject to any Option so far as such Option remains unexercised;
- (ii) the Exercise Price; and/or
- (iii) the method of exercise of the Option,

or any combination thereof, as the auditor of the Company or an independent financial adviser engaged by the Company for this purpose shall, at the request of the Company or any Grantee certify in writing either generally or as regards any particular Grantee to be in their opinion fair and reasonable. The auditor or the independent financial adviser (as the case may be) shall act as experts and not as arbitrators and their certificate shall, in the absence of manifest error, be final and binding on the Company and the Grantee. The costs of the auditor or the independent financial adviser (as the case may be) shall be borne by the Company.

8. INCREASE IN SHARE CAPITAL

Subject to sub-paragraph 4(D), the Board shall at all times set aside for the purposes of the Share Option Scheme, out of the authorised but unissued share capital of the Company, such number of Shares as the Board may from time to time determine to be sufficient to meet subsisting requirements for the exercise of Options.

9. DISPUTES

Any dispute arising under or in connection with the Share Option Scheme (whether as to the number of Shares the subject of an Option, the amount of the Exercise Price or otherwise) shall be referred to the decision of the auditor or an independent financial adviser who shall act as experts and not as arbitrators and whose decision shall, in the absence of manifest error, be final and conclusive and binding on all persons who may be affected thereby. The costs of the auditor or the independent financial adviser (as the case may be) shall be borne by the Company.

10. ALTERATION OF THE SCHEME

(A) Subject to sub-paragraph (B), the Board may amend any of the provisions of the Share Option Scheme (including without limitation amendments in order to comply with changes in legal or regulatory requirements and amendments in order to waive any restrictions, imposed by the provisions of the Share Option Scheme, which are not required by the Listing Rules) at any time, but not so as to affect adversely any rights which have accrued to any Grantee at that date except with:

- (i) the consent in writing of all such Grantees; or
- (ii) (in the case of a proposed amendment affecting all Grantees) the sanction of a special resolution passed at a duly convened and held meeting of those Grantees holding Options unexercised at the time at which the resolution is carried by a majority consisting of not less than three fourths of the votes cast upon a show of hands or if a poll is duly demanded, by a majority consisting of not less than three fourths of the votes cast on a poll,

in either case, supported by consideration (if any), as may be necessary to give legal effect to the amendment.

(B) Any provisions of the Share Option Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules currently in force as at the Latest Practicable Date cannot be altered to the advantage of Grantees or prospective Grantees, and no changes to the authority of the Board in relation to any alteration of the terms of the Share Option Scheme shall be made, without the prior approval of Shareholders in general meeting. Any alterations to the terms and conditions of the Share Option Scheme which are of a material nature or any change to the terms of Options granted shall not be effective unless approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the Share Option Scheme. The Share Option Scheme so altered must comply with the Listing Rules.

(C) As regards any meeting of Grantees, as referred to in sub-paragraph (A) all the provisions of the Bye-laws for the time being of the Company as to general meetings of the Company shall apply mutatis mutandis as though the Options were a class of shares forming part of the share capital of the Company except that:—

- (i) not less than five days' notice of such meeting shall be given;
- (ii) a quorum at any such meeting shall be two Grantees present in person or by proxy and holding options entitling them to the issue of one-tenth in nominal value of all Shares which would fall to be issued upon the exercise of all Options then outstanding;

- (iii) every Grantee present in person or by proxy at any of such meeting shall be entitled on a show of hands to one vote, and on a poll, to one vote for each Share to which he or she would be entitled upon exercise in full of his or her Options then outstanding;
- (iv) any Grantee present in person or by proxy may demand a poll; and
- (v) if any such meeting is adjourned for want of a quorum, such adjournment shall be to such date and time, not being less than 7 or more than 14 days thereafter, and to such place as may be appointed by the chairman of the meeting. At any adjourned meeting those Grantees who are then present in person or by proxy shall form a quorum and at least 7 days' notice of any adjourned meeting shall be given in the same manner as for an original meeting and such notice shall state that those Grantees who are then present in person or by proxy shall form a quorum.

11. TERMINATION

The Company by resolution in general meeting or the Board may at any time terminate the operation of the Share Option Scheme and in such event no further Options shall be granted hereunder but the provisions of the Share Option Scheme shall in all other respects remain in force and Options granted prior to such termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

12. COMPANY'S CASH ELECTION

- (A) Notwithstanding any other provision of the Share Option Scheme, the Board shall be entitled at its discretion at any time and from time to time to cancel any Option, either in whole or in part, after notice of exercise thereof has been given by the Grantee, but before the Company has issued and allotted any Shares pursuant to the exercise of that Option, by giving notice in writing to the Grantee stating that such Option is thereby cancelled. Any Option cancelled in accordance with this sub-paragraph (A) shall not be counted for the purpose of calculating the Scheme Mandate Limit set forth in paragraph 6(A) above as refreshed. In the event that the Board determines to cancel any Options granted and issues new Options to the same Grantee, the issue of such new Options may only be made with the available unissued Options (excluding the cancelled Options) under the Share Option Scheme within the Scheme Mandate Limit set forth in paragraph 6(A) above.

- (B) If any Option shall be cancelled pursuant to sub-paragraph (A), the Grantee shall, subject as hereinafter provided, be entitled to receive from the Company a refund of the aggregate Exercise Price paid on exercise of such Option together with an additional payment in cash to compensate him or her for such cancellation calculated in accordance with the formula below. Such refund and payment shall be made within 14 business days of the Company giving notice of such cancellation and once made the Grantee shall have no other claim against the Company in connection with any Option so cancelled. The amount of any additional payment shall be calculated by reference to the following formula:

$$(A \times B) - (A \times C)$$

where

- A is the number of Shares that would have been issued on exercise of the Option had it not been cancelled;
- B is the average closing price of the Shares as stated in the daily quotations sheets of the Stock Exchange for the 5 days last preceding the date on which the Company receives notice of exercise of the Option on which days it has been possible to trade Shares on the Stock Exchange; and
- C is the Exercise Price,

provided that if the calculation shall result in a negative figure it shall be deemed to be zero.

It is proposed that the New Memorandum of Association and Bye-laws be adopted with effect from the conclusion of the 2022 AGM. Set forth below is a summary of the proposed changes that will be made by adopting the New Memorandum of Association and Bye-laws.

A clean version of the New Memorandum of Association and Bye-laws will be published on the websites of the Stock Exchange (www.hkexnews.hk) and of the Company (www.firstpacific.com) following its adoption at the 2022 AGM.

References to bye-law numbers are to the numbering in the new Bye-laws proposed to be adopted with effect from the conclusion of the 2022 AGM unless otherwise stated.

Proceedings at General Meetings

Bye-law 69 provides that the Company shall hold an annual general meeting each year. In order to bring the Bye-laws in line with paragraph 14(1) of Appendix 3 to the Listing Rules, it is proposed that the reference to “each year” in Bye-law 69 be amended to each “financial year”, with supplementary language added to specify that an annual general meeting shall be held not later than six months after the end of each financial year.

It is proposed that existing Bye-law 71 be amended to expressly allow minority Shareholders holding at least 10% of the voting rights (on a one vote per share basis in the share capital of the Company) to be able to add resolutions to the meeting agenda of a Shareholders’ meeting, in order to bring the Bye-laws in line with paragraph 14(5) of Appendix 3 to the Listing Rules.

It is proposed that a new Bye-law 89A be added to expressly provide for Shareholders to (a) have the right to speak at a Shareholders’ meeting and (b) vote at a general meeting except where a Shareholder is required, by the Listing Rules, to abstain from voting to approve the matter under consideration. That would enable the existing Bye-laws to conform to paragraph 14(3) of Appendix 3 to the Listing Rules.

Appointment, Removal and Remuneration of Auditors

It is proposed that Bye-laws 160(B) and 161 be amended: (a) to require the appointment and the fixing of the remuneration of auditors to be approved by an ordinary resolution or other body that is independent of the Board, (b) to require the removal of auditors to be approved by at least two-thirds of the votes cast at a general meeting convened for such purpose and (c) a consequential amendment be made to Bye-law 160(A) in order to enable the existing Bye-laws to conform to paragraph 17 of Appendix 3 to the Listing Rules, which requires, among other things, the appointment, removal and the fixing of the remuneration of auditors of the Company to be approved by a majority of the Shareholders or other body that is independent of the Board.

Other housekeeping amendments

It is proposed that certain amendments to the Bye-laws be made to incorporate certain minor drafting and clarificatory changes which have not been expressly set out in the summary above.

Amendments to the Memorandum of Association as set out in Special Resolution numbered 11 of the Notice are also proposed to amend typographical errors to align the Memorandum of Association filed with the Registrar of Companies in Bermuda with the Existing Memorandum of Association (which for the avoidance of doubt will not change).

NOTICE OF ANNUAL GENERAL MEETING



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)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of First Pacific Company Limited (the “**Company**”) will be held at The Alexandra – Edinburgh Room, 2nd Floor, Mandarin Oriental, Hong Kong, 5 Connaught Road Central, Hong Kong at 2:30 p.m. on Thursday, 16 June 2022 (the “**2022 AGM**”) for the following purposes:

1. To receive and adopt the Audited Accounts and the Reports of the Directors and Independent Auditor for the year ended 31 December 2021.
2. To declare a final cash distribution of HK10 cents (US1.28 cents) per ordinary share for the year ended 31 December 2021.
3. To re-appoint Ernst & Young as Independent Auditor of the Company and to authorise the board of directors of the Company (the “**Board**”) or the Audit and Risk Management Committee to fix their remuneration.
4. As ordinary business, to consider and, if thought fit, pass each of the following resolutions as a separate Ordinary Resolution of the Company:
 - (i) **THAT** Mr. Manuel V. Pangilinan be and he is hereby re-elected as the Managing Director and Chief Executive Officer of the Company for a fixed term of approximately three years, commencing on the date of the 2022 AGM and expiring at the conclusion of the annual general meeting of the Company to be held in the third year following the year of his re-election (being 2025) (the “**Fixed 3-year Term**”);
 - (ii) **THAT** Prof. Edward K.Y. Chen (who has served for more than nine years) be and he is hereby re-elected as an Independent Non-executive Director of the Company for the Fixed 3-year Term;
 - (iii) **THAT** Mrs. Margaret Leung Ko May Yee (who has served for more than nine years) be and she is hereby re-elected as an Independent Non-executive Director of the Company for the Fixed 3-year Term; and

NOTICE OF ANNUAL GENERAL MEETING

- (iv) **THAT** Mr. Christopher H. Young be and he is hereby re-elected as an Executive Director of the Company for a fixed term of approximately one year, commencing on the date of the 2022 AGM and expiring at the conclusion of the annual general meeting of the Company to be held in the year following the year of his re-election (being 2023).
5. To authorise the Board or the Remuneration Committee to fix the remuneration of the Executive Directors pursuant to the Company's Bye-laws, and to fix the remuneration of the Non-executive Directors (including the Independent Non-executive Directors) at the sum of US\$7,000 (equivalent to approximately HK\$54,600) for each meeting of the Board (which he or she shall attend in person or by telephone or video conference call) and each general meeting of Shareholders (which he or she shall attend in person); and the sum of US\$6,000 (equivalent to approximately HK\$46,800) for each meeting of the Board Committees (which he or she attends in person or by telephone or video conference call).
6. As special business, to consider and, if thought fit, pass with or without modifications the following as an Ordinary Resolution of the Company:
- “THAT** the Board be and is hereby authorised to appoint additional Directors as an addition to the Board, but so that the maximum number of Directors so appointed by the Board shall not in any case exceed the maximum number of Directors specified in the Company's Bye-laws from time to time, and any person so appointed shall remain as a Director only until the next following annual general meeting of the Company and then shall be eligible for re-election at that meeting.”
7. As special business, to consider and, if thought fit, pass with or without modifications the following as an Ordinary Resolution of the Company:
- “THAT:**
- (a) subject to paragraphs (c) and (d) below, a general mandate be and is hereby unconditionally granted to the Directors of the Company to exercise during the Relevant Period of all the powers of the Company to allot, issue and deal with additional Shares in the Company; to make or grant offers, agreements, options or warrants which would or might require the exercise of such power and to grant rights to subscribe for, or to convert any security into, Shares in the Company;
- (b) the mandate in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements, options or warrants which would or might require the exercise of such power after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the mandate in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue, or (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into Shares of the Company, or (iii) the exercise of options granted under any share option scheme adopted by the Company, or (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend/distribution on Shares of the Company in accordance with the Bye-laws of the Company, shall not exceed 10% of the total number of Shares of the Company in issue as at the date of this resolution, and the said mandate shall be limited accordingly;
- (d) any Shares of the Company to be allotted and issued (whether wholly or partly for cash or otherwise) pursuant to the mandate in paragraph (a) of this Resolution shall not be at a discount of more than 10% to the Benchmarked Price of such Shares of the Company; and
- (e) for the purposes of this Resolution:

“**Benchmarked Price**” means the price which is the higher of:

- (i) the closing price of the Shares of the Company as quoted on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on the date of the agreement involving the proposed issue of Shares of the Company under the general mandate; and
- (ii) the average closing price as quoted on the Stock Exchange of the Shares of the Company in the five trading days immediately prior to the earlier of:
 - (A) the date of announcement of the transaction or arrangement involving the relevant proposed issue of Shares of the Company;
 - (B) the date of the agreement involving the relevant proposed issue of Shares of the Company; or
 - (C) the date on which the price of the Shares of the Company that are proposed to be issued is fixed.

NOTICE OF ANNUAL GENERAL MEETING

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiry of the period within which the next annual general meeting of the Company is required either by law or by the Company’s Bye-laws to be held; and
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Shareholders in general meeting.

“**Rights Issue**” means an offer of shares open for a period fixed by the Directors of the Company to holders of Shares on the Register of Members of the Company on a fixed record date in proportion to their then holdings of Shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside Hong Kong).”

8. As special business, to consider and, if thought fit, pass with or without modifications the following as an Ordinary Resolution of the Company:

“**THAT:**

- (a) subject to paragraph (b) below, a general mandate be and is hereby unconditionally granted to the Directors of the Company to exercise during the Relevant Period all the powers of the Company to repurchase issued Shares in the capital of the Company on the Stock Exchange, or any other stock exchange on which the Shares may be listed and which is recognized for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange, in accordance with all applicable laws, including the Hong Kong Code on Share Buy-backs and the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby approved generally and unconditionally;
- (b) the aggregate number of Shares which may be repurchased or agreed conditionally or unconditionally to be repurchased by the Directors of the Company pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of Shares of the Company in issue as at the date of this Resolution, and the said mandate shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(c) for the purposes of this Resolution:

“**Relevant Period**” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiry of the period within which the next annual general meeting of the Company is required either by law or by the Company’s Bye-laws to be held; and
- (iii) the date upon which the authority set out in this Resolution is revoked or varied by way of ordinary resolution of the Shareholders in general meeting.”

9. As special business, to consider and, if thought fit, pass with or without modifications the following as an Ordinary Resolution of the Company:

“**THAT** the new share option scheme (the “**Share Option Scheme**”) of the Company, the terms of which are contained in the document produced to the meeting marked “A” and initialled by the chairman of the meeting for the purpose of identification, be and is hereby approved and adopted as a new share option scheme of the Company and that the Directors of the Company be and are authorised to grant Options to subscribe for Shares thereunder, allot and issue Shares pursuant to the exercise of any Options which may be granted under the Share Option Scheme, and exercise and perform the rights, powers and obligations of the Company thereunder and do all such things and take all such actions as the Directors of the Company may consider to be necessary or desirable in connection with the foregoing provided that the total number of Shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme (together with any other share option scheme(s) of the Company – which there are none), shall not exceed 10% of the Shares in issue as at the date of passing of this resolution unless the 10% limit is renewed, or as may be otherwise approved by Shareholders separately, in accordance with the rules of the Share Option Scheme and the Listing Rules.”

10. As special business, to consider and, if thought fit, pass with or without modifications the following as a Special Resolution of the Company:

“**THAT** the new Bye-laws of the Company in the form of the document marked “B-1” and produced to the 2022 AGM and for the purpose of identification signed by the Chairman of the 2022 AGM, be and are hereby approved and adopted as the new Bye-laws of the Company in substitution for and to the exclusion of the existing Bye-laws of the Company with immediate effect and that any one Director of the Company be and is hereby authorised to do all things necessary to implement the adoption of the new Bye-laws.”

NOTICE OF ANNUAL GENERAL MEETING

11. As special business, to consider and, if thought fit, pass with or without modifications the following as a Special Resolution of the Company:

“**THAT** the Memorandum of Association of the Company (the amended version of which is shown in the form of the document marked “B-2” and produced to the 2022 AGM and for the purpose of identification signed by the Chairman of the 2022 AGM) be amended as follows:

- (a) paragraph 9 shall be deleted in its entirety; and
- (b) a new sub-paragraph (h) shall be added to the Schedule referred to in Clause 8 of the Memorandum of Association as follows:

“(h) To issue preference shares which are, or at the option of the company or of the holder are to be liable, to be redeemed, subject to the provisions of The Companies Act 1981.”

12. To transact any other ordinary business of the Company.

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

Hong Kong, 29 April 2022

Principal Office:
24th Floor
Two Exchange Square
8 Connaught Place
Central, Hong Kong

Registered Office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Explanatory Notes to the Notice of 2022 AGM (the “Notice”):

- As set out in the section headed “SPECIAL ARRANGEMENTS FOR THE 2022 AGM” of this circular (of which this notice forms part), the 2022 AGM will be a hybrid meeting using an electronic system, which allows shareholders of the Company to participate online with an internet connection, with the combination of a physical meeting. The Company strongly encourages Shareholders to exercise their rights to attend and vote at the 2022 AGM by electronic facilities. Every member entitled to attend and vote at the 2022 AGM is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy need not be a member of the Company.
- A Form of Proxy for use at the 2022 AGM is enclosed with the circular which contains the Notice (the “Circular”). The Form of Proxy will also be published on the website of the Stock Exchange (www.hkexnews.hk) and can also be downloaded from the Company’s website (www.firstpacific.com).

NOTICE OF ANNUAL GENERAL MEETING

3. To be valid, the Form of Proxy together with the power of attorney or other authority (if any) under which it is signed or a certified copy of such power or authority must be deposited at the Hong Kong Branch Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 48 hours before the time appointed for holding the 2022 AGM (i.e., no later than 14 June 2022 at 2:30 p.m.) or any adjournment or postponement thereof;
4. With respect to agenda item No. 4 in the Notice, the biographical details of each of the retiring Directors who will stand for re-election at the 2022 AGM, as required by Rule 13.51(2) of the Listing Rules, as at the Latest Practicable Date, are set out in Appendix I of the Circular to enable Shareholders to make an informed decision on their re-election.
5. With respect to agenda items No. 7 and No. 8 in the Notice, approval is being sought from Shareholders as the existing general mandates to allot and issue Shares and to repurchase Shares will expire at the conclusion of the 2022 AGM.
6. An explanatory statement containing further details regarding agenda item No. 8 in the Notice, relating to the general mandate to repurchase Shares, is set out in Appendix II of the Circular.
7. With respect to agenda item No. 9 in the Notice, further information on the Share Option Scheme is set out in Appendix III of the Circular.
8. With respect to agenda items No. 10 and No. 11 in the Notice, further information on the New Memorandum of Association and Bye-laws is set out in Appendix IV of the Circular.
9. In light of the continuing risks posed by the COVID-19 pandemic, the Company may implement further changes and precautionary measures and may issue further announcements on such measures as appropriate. Shareholders should check the Stock Exchange's website (www.hkexnews.hk) and the Company's website (www.firstpacific.com) for further announcements and updates on the 2022 AGM arrangements.
10. In view of the travelling restrictions imposed by various jurisdictions including Hong Kong to prevent the spread of COVID-19, certain Director(s) of the Company may attend the 2022 AGM through video conference or similar electronic means.
11. If a Typhoon Signal No. 8 or above is hoisted or a Black Rainstorm Warning Signal is in force at or at any time after 12:00 noon on the date of the 2022 AGM, the 2022 AGM will be adjourned. The Company will post an announcement on the websites of the Stock Exchange (www.hkexnews.hk) and of the Company (www.firstpacific.com) notifying Shareholders of the date, time and place of the adjourned meeting.

The 2022 AGM will be held as scheduled when an Amber or a Red Rainstorm Warning Signal is in force. Shareholders should decide on their own whether they will attend the 2022 AGM in person under bad weather conditions bearing in mind their own situations or to attend and vote by electronic facilities.
12. The English text of this Circular shall prevail over the Chinese text in case of any inconsistency.