

Hong Kong Exchanges and Clearing Limited and the Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

DISCLOSEABLE TRANSACTION

ACQUISITION OF ADDITIONAL INTEREST IN MANILA ELECTRIC COMPANY BY METRO PACIFIC INVESTMENTS CORPORATION BY WAY OF PRIVATE PLACEMENT

ACQUISITION OF ADDITIONAL INTEREST IN MANILA ELECTRIC COMPANY BY METRO PACIFIC INVESTMENTS CORPORATION BY WAY OF PRIVATE PLACEMENT

On 29 July 2022, MPIC (a Philippine affiliate of the Company in which the Group indirectly holds a 45.1% economic interest) agreed to purchase from the Seller (an independent third party), Sale Shares representing approximately 2.0% of the total issued capital stock of Meralco (an associated company of the Group), pursuant to a private placement transaction conducted by the Seller. The Consideration is approximately Pesos 7.75 billion (equivalent to approximately US\$138.6 million or HK\$1.1 billion), payable in full in cash on Completion.

Immediately prior to Completion, MPIC has an approximate 45.5% economic interest in Meralco and the Seller is interested in approximately 29.6% of Meralco. Following Completion, MPIC will hold an approximate 47.5% economic interest in Meralco and Meralco would continue to be an associated company of the Group.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The Company believes the Transaction will grow MPIC's and the Group's investment returns and cash flows as Meralco's business benefits from the expected post-pandemic economic recovery in the Philippines.

The Directors consider that the terms of the Transaction are fair and reasonable and that the Transaction is on normal commercial terms (as far as the Company is concerned) and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Transaction is more than 5% but all of the applicable percentage ratios are less than 25%, the Transaction is a discloseable transaction for the Company under Chapter 14 of the Listing Rules, and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

ACQUISITION OF ADDITIONAL INTEREST IN MANILA ELECTRIC COMPANY BY METRO PACIFIC INVESTMENTS CORPORATION BY WAY OF PRIVATE PLACEMENT

Summary of the Transaction

Date	:	29 July 2022
Purchaser	:	MPIC, a Philippine affiliate of the Company
Completion	:	3 August 2022
Seller	:	The Seller is the legal and beneficial owner of the Sale Shares. Further information on the Seller is set forth below in this announcement.
Consideration	:	The placing price for the Sale Shares is approximately Pesos 7.75 billion (equivalent to approximately US\$138.6 million or HK\$1.1 billion); to be funded with internally generated cash of MPIC and payable in full in cash on Completion.

Basis of determination of the Consideration : The Consideration of approximately Pesos 7.75 billion (equivalent to approximately US\$138.6 million or HK\$1.1 billion), or Pesos 344 per share (US\$6.2 or HK\$48.0) representing 6.0% discount to the closing price of Pesos 366 (US\$6.5 or HK\$51.1) per Meralco Share as quoted on the PSE as at 28 July 2022 and was determined after arm's length negotiations, by the Seller, together with its placing agent with reference to the prevailing market price and demand of Meralco shares.

MPIC agreed to purchase the Sale Shares pursuant to a private placement transaction conducted by the Seller. Immediately prior to Completion, MPIC has an approximate 45.5% economic interest in Meralco and the Seller is interested in approximately 29.6% of Meralco. Following Completion, MPIC will hold an approximate 47.5% economic interest in Meralco and Meralco would continue to be an associated company of the Group.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The Company believes the Transaction will grow MPIC's and the Group's investment returns and cash flows as Meralco's business benefits from the expected post-pandemic economic recovery in the Philippines.

The Directors consider that the terms of the Transaction are fair and reasonable and that the Transaction is on normal commercial terms (as far as the Company is concerned) and in the interests of the Company and the Shareholders as a whole.

To the best of the Directors' knowledge and information, no Director has any material interest in, or otherwise is required to abstain from voting on, the resolutions of the board of Directors of the Company in considering and approving the Transaction.

INFORMATION ON THE COMPANY

The Company is a Hong Kong-based investment holding company with operations located in Asia Pacific. The Company's principal business interests relate to consumer food products, telecommunications, infrastructure and natural resources.

INFORMATION ON MPIC

MPIC is a Philippine affiliate of the Company, in which the Group indirectly holds approximately 45.1% economic interest. MPIC is one of the largest infrastructure investment management and holding companies in the Philippines, with investments in the country's largest electricity distributor, toll road operator, water distributor and hospital group. MPIC also holds substantial investments in light rail, real estate, healthcare and petroleum storage operations. MPIC's financial results are consolidated in the Company's financial statements and its shares are listed on the PSE.

INFORMATION ON MERALCO

As at the date of this announcement, MPIC has an approximate 45.5% economic interest in Meralco. Meralco is an associated company of the Group. Meralco has the largest power distribution franchise in the Philippines and is a listed company with its shares listed and publicly-traded on the PSE and is a constituent member of the bellwether PSEi.

Set out below is financial information in respect of Meralco extracted from its audited consolidated financial statements for the two financial years ended 31 December 2021 and 31 December 2020:

- (1) For the financial year ended 31 December 2021, the audited consolidated net profits of Meralco were approximately Pesos 33.0 billion (equivalent to approximately US\$668.6 million or HK\$5.2 billion) before taxation and Pesos 24.1 billion (equivalent to approximately US\$488.2 million or HK\$3.8 billion) after taxation.
- (2) For the financial year ended 31 December 2020, the audited consolidated net profits of Meralco were approximately Pesos 22.4 billion (equivalent to approximately US\$452.6 million or HK\$3.5 billion) before taxation and Pesos 16.1 billion (equivalent to approximately US\$325.3 million or HK\$2.5 billion) after taxation.
- (3) As at 31 December 2021, the audited consolidated net asset value of Meralco attributable to its shareholders was approximately Pesos 95.2 billion (equivalent to approximately US\$1.9 billion or HK\$14.6 billion).

INFORMATION ON THE SELLER

JG Summit Holdings, Inc. is a company incorporated in the Philippines, the shares of which are publicly listed on the PSE. JG Summit is a large Philippine conglomerate with businesses operating in sectors, including, food, real estate, airlines, banking, technology, logistics, telecommunications and infrastructure.

Based on publicly available information, the principal registered shareholders of JG Summit include PCD Nominee Corporation (holding as to 36.77%) and the Gokongwei Brothers Foundation, Inc. (“**Gokongwei Foundation**”) (holding as to 27.88%).

PCD Nominee Corporation is a corporation wholly-owned by Philippine Depository and Trust Corporation, Inc. (“**PDTC**”) whose sole purpose is to act as nominee and legal title holder of all shares and stock lodged in the PDTC.

The Gokongwei Foundation is a non-stock, non-profit corporation organised by the irrevocable donation by the trustees of the Gokongwei Foundation, of shares of JG Summit. The incumbent Chairman of the Board of Trustees of the Gokongwei Foundation is Mr. Lance Y. Gokongwei, a well-known businessman in the Philippines.

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, JG Summit and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Transaction is more than 5% but all of the applicable percentage ratios are less than 25%, the Transaction is a discloseable transaction for the Company under Chapter 14 of the Listing Rules, and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following terms and expressions have the following meanings, unless the context requires otherwise:

“Company”	First Pacific Company Limited, an exempted company incorporated in Bermuda and having its shares listed on the Stock Exchange;
“Completion”	3 August 2022, being the expected completion and settlement date of the Transaction;
“Consideration”	the consideration payable by MPIC for the purchase of the Sale Shares, described under the paragraph headed “Summary of the Transaction” in this announcement;
“Directors”	the directors of the Company;
“Group”	together, the Company, its subsidiaries and/or its Philippine affiliates;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Meralco”	Manila Electric Company, a company incorporated in the Philippines, in which MPIC has an approximate 45.5% economic interest as at the date of this announcement, having its shares listed on the PSE. Details of Meralco are set forth in the section headed “Information on Meralco” in this announcement;
“MPIC”	Metro Pacific Investments Corporation, a company incorporated in the Philippines with limited liability, the common shares of which are listed on the PSE and the purchaser of the Sale Shares;
“Pesos”	Philippine Peso, the lawful currency of the Republic of Philippines;
“PSE”	the Philippine Stock Exchange;
“Sale Shares”	comprising 22,542,000 common shares of Meralco, representing approximately 2.0% of the total issued capital stock of Meralco;
“Seller” or “JG Summit”	JG Summit Holdings, Inc., details of which are set forth in the section headed “Information on the Seller” in this announcement;
“Shareholders”	holders of the shares in the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Transaction”	the acquisition by MPIC of the Sale Shares representing approximately 2.0% of the total issued capital stock of Meralco from the Seller, as described in this announcement;
“US\$”	United States dollar, the lawful currency of the United States of America; and
“%”	per cent.

In this announcement, unless stated otherwise, translations of quoted currency values are made on an approximate basis and at the rate of US\$1.00 = Pesos55.9 = HK\$7.8. Percentages and figures expressed in billions and millions have been rounded.

By Order of the Board
First Pacific Company Limited
Chiu Wing Man, Fiona
Company Secretary

Hong Kong, 29 July 2022

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

Executive Directors:

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

Non-executive Directors:

Anthoni Salim, *Chairman*
Benny S. Santoso
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