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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)

VOLUNTARY ANNOUNCEMENT

This announcement is made by First Pacific Company Limited (the “**Company**”) on a voluntary basis. Reference is made to the announcement of the Company dated 18 December 2022 in relation to the capital expenditure (“**CapEx**”) incurred by PLDT Inc. (“**PLDT**”), a major operating associate of the Company, and to the overseas regulatory announcements dated 18 December 2022 (containing PLDT’s press release dated 16 December 2022) and 23 March 2023 (containing PLDT’s press release of the same date).

PLDT announced in its March 2023 press release that its forensic review of the circumstances surrounding the elevated CapEx commitments disclosed in its December 2022 press release is substantially complete. The review, which was conducted by external counsel with the assistance of accounting and audit consultants, focused on the period 2019-2022 and identified no evidence of fraud, intentional concealment, or bad faith conduct on the part of any employee of PLDT and no basis to restate PLDT’s historical financial statements.

PLDT announced also that it has adopted and implemented, or is in the process of implementing, various operational enhancements to its policies, procedures and controls relating to CapEx management processes.

In its December 2022 press release, PLDT issued a disclosure about its elevated CapEx spend which included an estimated CapEx budget overrun of approximately PhP48 billion (equivalent to approximately US\$877.5 million and HK\$6.8 billion), net of advances to vendors. This amount represented PLDT management’s estimate of the outstanding commitments to its major vendors for the acquisition of property and equipment post-2022 after the anticipated cancellation or amendment of certain outstanding purchase orders.

In its March 2023 press release, PLDT announced that it has completed discussions with its major vendors representing approximately 80% of its outstanding CapEx commitments as of 31 December 2022. That effort resulted in PLDT's entry into Settlement and Mutual Release Agreements with its major vendors in March 2023. Those agreements have the effect of reducing PLDT's outstanding commitments to these vendors for the acquisition of property and equipment post-2022 to approximately PhP33 billion (equivalent to approximately US\$603.3 million and HK\$4.7 billion), net of advances paid to these vendors. PLDT plans to engage in similar discussions with its non-major vendors to achieve similar results.

In this announcement, unless stated otherwise, translations of quoted currency values are made on an approximate basis and at the rate of Pesos 54.7 = US\$1.0 = 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
General Counsel and Company Secretary

Hong Kong, 23 March 2023

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

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