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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 was effected for transmission to the purchaser or transferee.

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FIRST PACIFIC COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

STOCK CODE: 00142

PROPOSALS RELATING TO GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES, RE-ELECTION OF DIRECTORS, AMENDMENT OF THE BYE-LAWS, ADOPTION OF NEW STOCK OPTION PLAN FOR METRO PACIFIC CORPORATION AND NOTICE OF ANNUAL GENERAL MEETING

Notice convening the 2005 Annual General Meeting of First Pacific Company Limited to be held at The Bamboo and Peacock Rooms, 1st Floor, Mandarin Oriental, 5 Connaught Road, Central, Hong Kong SAR at 10:30 a.m. on Thursday, 9th June, 2005 is set out on pages 20 to 26 of this circular.

The action to be taken by shareholders is set out on page 9 of this circular. Whether or not you are able to attend the meeting, please complete and return the enclosed Form of Proxy to the principal office of First Pacific Company Limited (Attention: Corporate Secretarial Department) at 24th Floor, Two Exchange Square, 8 Connaught Place, Central, Hong Kong SAR as soon as possible, but in any event not less than 48 hours before the time appointed for the holding of the meeting. Completion and return of the Form of Proxy will not preclude you from attending and voting in person at the meeting should you so wish.

30th April, 2005

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company convened to be held on 9th June, 2005, by the Notice;
“Adoption Date”	the date on which the Metro Pacific Stock Option Plan is adopted by shareholders of Metro Pacific owning at least two-thirds (2/3) of all the outstanding capital stock, voting or non-voting, excluding treasury stock, in a general meeting of Metro Pacific called for such purpose;
“Auditors of Metro Pacific”	Metro Pacific’s external auditors at the relevant time;
“Bye-laws”	the Bye-laws of the Company;
“Company”	First Pacific Company Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange;
“Director” or “Directors”	a director or directors of the Company, from time to time;
“Eligible Participant(s)”	the senior management of the Metro Pacific Group including directors determined by the Metro Pacific Committee to be eligible to receive an Option under the Metro Pacific Stock Option Plan;
“Exercise Price”	the price at which Metro Pacific Shares subject of an Option shall be purchased or subscribed under the Metro Pacific Stock Option Plan, as determined by the Metro Pacific Committee in accordance with Article VII of the Metro Pacific Stock Option Plan;
“Latest Practicable Date”	25th April, 2005, 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;
“Metro Pacific”	Metro Pacific Corporation, a corporation established under the laws of the Philippines, having its shares listed on the PSE and which is a member of the First Pacific group, in which First Pacific has a 75.5 per cent. economic interest;
“Metro Pacific Committee”	the Metro Pacific Compensation Committee of the Board of Metro Pacific;

DEFINITIONS

“Metro Pacific Group”	Metro Pacific and its subsidiaries;
“Metro Pacific Shares”	common shares of par value Peso 1 each of Metro Pacific and any shares resulting from any consolidation, sub-division or reclassification of those common shares;
“Metro Pacific Stock Option Plan”	the new Executive Stock Option Plan of Metro Pacific that will be proposed for approval at the AGM;
“Notice”	the notice of the AGM as set out on pages 20 to 26 of this circular;
“Option” or “Options”	an option to subscribe for Metro Pacific Shares granted pursuant to the Metro Pacific Stock Option Plan;
“Option Holder(s)”	the Eligible Participant(s) who accept(s) Options offered under the Metro Pacific Stock Option Plan;
“Option Life Cycle”	the ten (10) year period after the Option Offer Date during which an Option granted under the Metro Pacific Stock Option Plan shall be exercisable;
“Option Offer Date”	the date on which an Option, offered under the Metro Pacific Stock Option Plan, is accepted by an Eligible Participant;
“PSE”	Philippine Stock Exchange;
“Proposals”	the renewal of the general mandate enabling the directors to allot and issue Shares; the renewal of the Repurchase Mandate; the grant of a general mandate enabling the directors to allot and issue Shares repurchased by the Company pursuant to the Repurchase Mandate; the re-election of directors; the amendment of the Bye-laws and the adoption of the Metro Pacific Stock Option Plan, in each case as contemplated by this circular;
“Repurchase Mandate”	the general mandate enabling the Company to repurchase its own Shares;
“SEC”	the Securities and Exchange Commission of the Philippines;
“SFO”	the Securities and Futures Ordinance (Cap. 571) of the laws of Hong Kong;
“Shareholders”	the holders of Shares from time to time;

DEFINITIONS

“Shares”	ordinary shares of US\$0.01 each of the Company and any shares resulting from any consolidation, sub-division or reclassification of those ordinary shares;
“Stock Exchange”	the Stock Exchange of Hong Kong Limited;
“Substantial Shareholders”	First Pacific Investments Limited and First Pacific Investments (B.V.I) Limited; and
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers.

LETTER FROM THE BOARD



FIRST PACIFIC COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

Chairman:

Anthoni Salim

Executive Directors:

Manuel V. Pangilinan (*Managing Director and CEO*)

Edward A. Tortorici

Robert C. Nicholson

Non-executive Directors:

Sutanto Djuhar

Tedy Djuhar

Ibrahim Risjad

His Excellency Albert F. del Rosario

Benny S. Santoso

Independent Non-executive Directors:

Professor Edward K. Y. Chen, GBS, CBE, JP

David W. C. Tang, OBE, Chevallier de L'Ordre des Arts et des Lettres

Graham L. Pickles

Principal Office:

24th Floor

Two Exchange Square

8 Connaught Place

Central, Hong Kong SAR

Registered Office:

Canon's Court

22 Victoria Street

Hamilton, HM12

Bermuda

30th April, 2005

To the shareholders of First Pacific Company Limited

Dear Sir or Madam,

**PROPOSALS RELATING TO
GENERAL MANDATES TO ISSUE SHARES AND
TO REPURCHASE SHARES, RE-ELECTION OF DIRECTORS,
AMENDMENT OF THE BYE-LAWS, ADOPTION OF
NEW STOCK OPTION PLAN FOR METRO PACIFIC
AND NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

On 14th March, 2005, the directors of the Company announced the audited final results of the Company for the year ended 31st December, 2004. As mentioned in the announcement, your directors proposed that no final dividend be paid in respect of the financial year ended 31st December, 2004.

LETTER FROM THE BOARD

At the forthcoming AGM, resolutions will be proposed seeking shareholders' approval for, inter alia, the renewal of the general mandate enabling the Directors to allot and issue Shares; the grant of the Repurchase Mandate; the grant of a general mandate enabling the Directors to allot and issue Shares repurchased by the Company pursuant to the Repurchase Mandate; the re-election of directors; the amendment of the Bye-laws and the adoption of a new Stock Option Plan for Metro Pacific.

The purpose of this circular is to give you details regarding the Proposals, to set out information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolutions to approve the Proposals and to convene the 2005 AGM at which such resolutions will be proposed.

ALLOTMENT AND ISSUE OF SHARES

At the last annual general meeting of the Company held on 24th May, 2004, the Shareholders passed an ordinary resolution granting to the Directors a general mandate to allot and issue Shares up to a limit equal to 20 per cent of the aggregate nominal amount of the issued share capital of the Company as at 24th May, 2004. Your Directors believe that it would be in the best interests of the Company to renew this mandate, as it will expire at the conclusion of the 2005 AGM.

REPURCHASE OF SHARES

At the last annual general meeting of the Company held on 24th May, 2004, the Shareholders 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 per cent in aggregate of the Company's issued share capital as at 24th May, 2004. A further ordinary resolution was also passed by the Shareholders granting to the Directors a general mandate to allot and issue Shares repurchased by the Company pursuant to the Repurchase Mandate. Your Directors believe that it would be in the best interests of the Company to renew these mandates as they will expire at the conclusion of the 2005 AGM.

There is at present no intention for the Company to repurchase any of its Shares. The main features of the Listing Rules regarding share repurchase on the Stock Exchange and further details in relation to purchases by the Company of its own Shares are contained in the explanatory statement set out in Appendix I below.

RE-ELECTION OF DIRECTORS

At the last Board of Directors' Meeting held on 14th March, 2005, the Directors resolved to adopt the Company's own Code on Corporate Governance Practices, which is based on the provisions contained in Appendix 14 ("Code on Corporate Governance Practices") to the Listing Rules, which took effect on 1st January, 2005 (the "Code").

The Code requires that every non-executive Director should be appointed for a specific term, subject to re-election. Accordingly, in order to comply with the Code, each of the non-executive Directors of the Company has agreed to step down at the 2005 AGM and offer himself for re-election by the Shareholders at that meeting. The term of appointment for each non-executive Director offering himself for re-election will be a fixed term of not more than three years, commencing on the date of his re-election (being the date of the 2005 AGM) and ending on the date (1) of the Company's annual general meeting to be held in 2008 or (2) on 8th June, 2008, or

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(3) the date on which such non-executive Director retires by rotation pursuant to the Code and/or the Bye-laws, whichever is the earlier. A special resolution will be proposed (Agenda item No. (3) in the Notice) to re-elect each of the non-executive Directors on those terms.

Separately, the Code also recommends that independent non-executive Directors serving for more than 9 years be subject to Shareholders' approval by separate resolution. Both Mr. David W.C. Tang and Prof. Edward K.Y. Chen have served for more than 9 years as independent non-executive Directors of the Company. Each of them has agreed to step down at the 2005 AGM and offer himself for re-election in accordance with the recommended best practice under the Code. The term of appointment for each independent non-executive Director offering himself for re-election will be a fixed term of not more than three years, commencing on the date of his re-election (being the date of the 2005 AGM) and ending on the date of (1) the Company's annual general meeting to be held in 2008 or (2) on 8th June, 2008, or (3) the date on which such independent non-executive Director retires by rotation pursuant to the Code and/or the Bye-laws, whichever is the earlier.

Both Mr. Tang and Prof. Chen have no financial or family relationships with any other Directors, senior management or substantial shareholders of the Company. In addition, the Company has received annual confirmation of independence from the two Directors and continues to believe that they are independent.

Finally, the Code also requires that every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. Accordingly, each of the remaining (executive) Directors has also agreed to step down at the 2005 AGM and offer himself for re-election. The Company's Bye-laws will also be amended to require all Directors (including those appointed for a specific term) to retire by rotation. The appointment of the executive Directors does not provide for a specified length of service period, but each of the executive Directors will be subject to the provisions on retirement by rotation and re-election of Directors, in accordance with the requirements of the Code, following the amendment proposed to be made to the Bye-laws referred to in (i) below.

Particulars relating to each of the Directors of the Company offering themselves for re-election at the 2005 AGM can be found in the Company's 2004 Annual Report (a copy of which has been provided to shareholders together with this circular) in the section entitled "Board of Directors" on pages 8 to 11 of the Annual Report. Particulars relating to the Directors' interests in the shares of the Company and its associated corporations within the meaning of Part XV of the SFO are also set out in the Company's 2004 Annual Report, in the section entitled "Interests of Directors in the Company and its associated corporations" on pages 51 to 52 of the Annual Report. As at the latest practicable date, Mr. Pangilinan owns 75,457 common shares in Philippine Long Distance Telephone Company (rather than the 73,457 common shares referred to in the Annual Report) and 3,500,000 common shares in Pilipino Telephone Corporation (rather than the 2,700,000 common shares referred to in the Annual Report). Mr. Tortorici no longer holds any shares in P.T. Indofood Sukses Makmur Tbk. (rather than the 2,450,000 ordinary shares referred to in the Annual Report) and owns 16,741,348 common shares in Metro Pacific (rather than the 3,051,348 common shares referred to in the Annual Report). The interests of the other directors remain unchanged to those set out in the Annual Report. Particulars relating to the Directors' contractual and other remuneration can also be found on pages 89 to 90 of the Annual Report, in the section entitled "Directors' Remuneration (Note 31(A) of the Notes to the Financial Statement)". Each of the Directors stepping down at the 2005 AGM will hold office until the close or adjournment of the AGM.

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AMENDMENT OF THE BYE-LAWS

A special resolution will be proposed at the AGM to amend the Bye-laws, as follows:

- (i) as required by the Code, to provide for the retirement by rotation of one-third of the Directors (or, if their number is not a multiple of three, then the number nearest to but not greater than one-third) at each annual general meeting of the Company;
- (ii) to permit shareholders to appoint additional Directors by ordinary resolution rather than special resolution as is currently the case; and
- (iii) to permit certain documents (including the financial statements and summary financial statements of the Company) to be sent to shareholders in electronic form, by removing the requirement for those documents to be sent by post.

The proposed changes are summarized in Appendix II below.

ADOPTION OF NEW STOCK OPTION PLAN FOR METRO PACIFIC

Metro Pacific, with its common shares listed on the PSE, intends to adopt a new stock option plan. Its previous plan, approved by its stockholders at a special meeting held on 10th January, 1990, has been terminated and no further options can be granted under it.

An ordinary resolution will be proposed at the AGM to approve the adoption of the Metro Pacific Stock Option Plan. The purpose of the Metro Pacific Stock Option Plan is to (i) enable the senior management officers and directors of the Metro Pacific Group who are largely responsible for the further growth and development of the Metro Pacific Group to obtain an ownership interest in Metro Pacific; (ii) encourage the long term commitment of such officers and directors of the Metro Pacific Group; (iii) motivate such officers and directors to continue their efforts in contributing to the long-term financial success of the Metro Pacific Group; and (iv) encourage management with appropriate skill and experience to join the Metro Pacific Group.

The Metro Pacific Stock Option Plan will be for a period of 10 years commencing on the Adoption Date. On and after the tenth anniversary of the Adoption Date, no further options may be granted but any options which are granted during the life of the Metro Pacific Stock Option Plan will continue to be exercisable in accordance with the terms of their grant.

The Metro Pacific Stock Option Plan 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 Metro Pacific Stock Option Plan provide that the Metro Pacific Committee 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 Metro Pacific Stock Option Plan. When granting Options and determining the terms of grant, the Metro Pacific Committee will generally impose a multi year vesting period and take 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 Metro Pacific and encourage Eligible Participants to acquire proprietary interests in Metro Pacific.

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The Directors believe that any calculation of the fair value of the Options as at the Latest Practicable Date based on a number of assumptions before the Options are actually granted, would not be meaningful and would be misleading to Shareholders. However, Shareholders should note that, in compliance with the Listing Rules, estimated valuations and cost of Options granted during any financial period will be provided based on the Black-Scholes Option pricing model, binominal option pricing model or a comparable generally accepted methodology in the Company's annual report and interim report, in accordance with the Hong Kong Financial Reporting Standard 2 – "Share-based Payment".

The adoption of the Metro Pacific Stock Option Plan is conditional upon:–

- (1) the Shareholders of the Company passing an ordinary resolution at the AGM approving the adoption of the Metro Pacific Stock Option Plan;
- (2) the stockholders of Metro Pacific passing a special resolution at a general meeting of stockholders of Metro Pacific approving the adoption of the Metro Pacific Stock Option Plan; and
- (3) the PSE granting approval of the listing of the shares falling to be issued on exercise of Options to be granted under the Metro Pacific Stock Option Plan.

Metro Pacific currently has no option plans in force. Particulars of options granted under Metro Pacific's previous stock option plan, adopted in 1990, which remain outstanding as at the Latest Practicable Date are as follows:

Option holder	Date granted	Option price	Options outstanding
Nazareno, Napoleon L.	1st August, 1995	Pesos 1.91	3,990,000
Del Rosario, Melody R.	1st August, 1997	Pesos 3.46	48,035
Liban, Vivian S.	1st August, 1997	Pesos 3.46	267,649
Total Outstanding			<u>4,305,684</u>

Except as set out above, as at the Latest Practicable Date there are no options in respect of Metro Pacific Shares which remain outstanding. No further options may be granted pursuant to Metro Pacific's previous stock option plan, which was adopted in 1990 and has been terminated.

A summary of the principal terms of the proposed Metro Pacific Stock Option Plan is set out in Appendix III below.

PROCEDURES TO DEMAND A POLL AT THE ANNUAL GENERAL MEETING

Consistent with good corporate governance practice, the Chairman intends to demand a poll on each of the resolutions set out in the Notice.

In accordance with Bye-law 79 of the Company's Bye-laws, every resolution put to the vote at a Shareholders' meeting shall be decided on a show of hands unless before or on the declaration of the results of the show of hands, a poll is demanded by:

- (i) the Chairman; or
- (ii) at least three (3) members present in person or by proxy for the time being entitled to vote at the meeting; or

LETTER FROM THE BOARD

- (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 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 of the Company's Bye-laws, if a poll is demanded in the manner aforesaid, it shall be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, 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 results of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

ACTION TO BE TAKEN

The Notice of the AGM is set out on pages 20 to 26 of this circular. At the AGM, resolutions will be proposed to approve, inter alia, the Proposals.

A Form of Proxy is enclosed with this circular for use at the AGM. Whether or not you intend to be present at the meeting, you are requested to complete the Form of Proxy and return it to the principal office of the Company in Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the AGM. The completion of a Form of Proxy will not preclude you from attending and voting at the AGM in person.

ANNUAL REPORT

A copy of the 2004 annual report of the Company incorporating the audited consolidated accounts of the Company for the year ended 31st December, 2004 and the directors' and auditors' reports thereon and information concerning each of the retiring directors who will be put forward for re-election has been despatched to all Shareholders together with this circular.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

RECOMMENDATION

Your Directors are of the opinion that the Proposals are in the best interests of the Company and its Shareholders and recommend you to vote in favour of the resolutions to be proposed at the AGM on 9th June, 2005. The Directors have indicated that the votes attaching to the Shares owned by them will, where entitled, be cast in favour of all the resolutions to be proposed at the AGM.

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

APPENDIX I EXPLANATORY STATEMENT ON REPURCHASE PROPOSAL

This appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to accompany the notice of an annual general meeting at which a resolution is to be proposed 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, 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 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 under Bermuda law.

(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 per cent of the outstanding share capital at the date of passing the relevant resolution may be repurchased on the Stock Exchange. On the basis of the existing issued share capital of the Company of 3,185,993,003 Shares, as at the Latest Practicable Date, and assuming no further exercise of options granted by the Company pursuant to the Company's share option plan, and no further Shares are issued or repurchased by the Company prior to the AGM, not more than 318,599,300 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 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 REPURCHASE

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.

APPENDIX I EXPLANATORY STATEMENT ON REPURCHASE PROPOSAL

The Directors have no present intention to repurchase any Shares of the Company and they 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 of the Company can be repurchased on terms favourable to the Company. On the basis of the consolidated financial position of the Company as at 31st December, 2004, 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 at the currently prevailing market value, it could have a material adverse impact on the working capital position and gearing position of the Company.

The Directors of the Company 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 financial statements or the gearing levels that in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE PRICE

No Shares have been repurchased during the six months prior to the date of this circular. The following table shows the highest and lowest prices at which the Shares were traded on the Stock Exchange in each of the twelve months ended 31st March, 2005:

Month	Highest traded price HK\$	Lowest traded price HK\$
2004		
April	2.050	1.760
May	1.910	1.500
June	1.800	1.620
July	2.075	1.750
August	2.250	1.870
September	2.325	1.920
October	2.375	1.990
November	2.250	2.050
December	2.225	1.930
2005		
January	2.575	2.075
February	2.475	2.275
March	2.825	2.350

5. DISCLOSURE OF INTERESTS

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, any of their associates, currently intend to sell Shares to the Company or its subsidiaries, in the event that the proposed Repurchase Mandate is approved by Shareholders.

No other 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.

As at the Latest Practicable Date, the Substantial Shareholders beneficially owned Shares representing a total of 44.52 per cent of the issued share capital of the Company. Although the Directors have no present intention to repurchase any 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 49.47 per cent of the then issued share capital of 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 by the Stock Exchange.

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.

APPENDIX II SUMMARY OF PROPOSED CHANGES TO THE BYE-LAWS

The full text of the proposed changes to the Bye-laws is set out in Resolution (9) contained in the Notice. The following is a summary of the relevant changes:–

1. New Bye-laws 117A, 117B and 117C will be added, providing that at each annual general meeting of the Company 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 greater than one-third) shall retire from office. Any Director retiring at a meeting pursuant to new Bye-law 117A shall retain office until the close or adjournment of the relevant annual general meeting. Any Director who wishes to retire and not to offer himself for re-election will be included for the purposes of determining the number of Directors to retire by rotation at any annual general meeting. Any further Directors so to retire will be those of the other Directors subject to retirement by rotation who have been longest in office since their last election or appointment and so that as between persons who became or were last elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. If the Company fails to fill up the vacated office by electing a person thereto at the relevant annual general meeting and the meeting does not expressly resolve not to fill up the vacated office or defeat the resolution for the re-election of such Director, the retiring Director shall, if willing, continue in office until the next annual general meeting.
2. Existing Bye-law 117(A) will be amended so that the Shareholders may appoint additional Directors, either to fill a casual vacancy or as an addition to the existing Board, by an ordinary resolution, rather than by a special resolution as is currently the case.
3. Existing Bye-laws 159(B) and 159(C) will be amended to permit certain documents to be sent to Shareholders in electronic form, by deleting the requirement in those Bye-laws for the relevant documents to be sent by post. The relevant documents are:
 - (a) the balance sheet and profit and loss account to be laid before the Company in general meeting, together with the Directors' and auditors' report, referred to in Bye-law 159(B); and
 - (b) the summarized financial statements of the Company, and the accompanying auditor's report and notice, referred to in Bye-law 159(C).

1. PURPOSE AND DURATION OF THE PLAN

- (A) The Metro Pacific Stock Option Plan is intended to: (i) enable the senior management officers and directors of the Metro Pacific Group who are largely responsible for the further growth and development of the Metro Pacific Group to obtain an ownership interest in Metro Pacific; (ii) encourage the long-term commitment of such officers and directors of the Metro Pacific Group; (iii) motivate such officers and directors to continue their efforts in contributing to the long-term financial success of the Metro Pacific Group; and (iv) encourage management with appropriate skill and experience to join the Metro Pacific Group.
- (B) Subject to paragraph 10, the Metro Pacific Stock Option Plan shall be valid and effective for the period of ten (10) 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 Metro Pacific Stock Option Plan shall remain in full force and effect. Options which are granted during the life of the Metro Pacific Stock Option Plan shall continue to be exercisable in accordance with their terms of issue.

2. ADMINISTRATION OF THE PLAN

- (A) The Metro Pacific Committee shall administer the Metro Pacific Stock Option Plan and perform such other functions as are assigned to the Metro Pacific Committee under the Metro Pacific Stock Option Plan. Subject to the provisions of the Metro Pacific Stock Option Plan and the supervision of the Board of Metro Pacific, the Metro Pacific Committee shall have the power to issue rules and regulations to implement the Metro Pacific Stock Option Plan; amend such rules and regulations; adopt resolutions and orders not inconsistent with the Metro Pacific Stock Option Plan; execute agreements in implementation of the Metro Pacific Stock Option Plan; interpret the provisions of the Metro Pacific Stock Option Plan; and undertake acts as it may deem appropriate for the proper implementation of the Metro Pacific Stock Option Plan.
- (B) All determinations or actions of the Metro Pacific Committee in respect of the Metro Pacific Stock Option Plan shall be by the affirmative vote of a majority of the members thereof at a meeting called for such purpose or by a written instrument signed by a majority of the members of the Metro Pacific Committee, in which latter case, the determinations or actions so taken shall be fully as effective as if they had been taken by a vote of the majority of the members of the Metro Pacific Committee at a meeting duly called and held.

3. SHARES SUBJECT TO THE PLAN

- (A) There shall be initially reserved for exercise of the Options to be granted from time to time under the Metro Pacific Stock Option Plan, 1,851,014,373 Metro Pacific Shares, representing 9.95 per cent of the total outstanding capital stock of Metro Pacific. Such Metro Pacific Shares may be issued, in whole or in part, out of the authorized but unissued Metro Pacific Shares.

- (B) Subject to the provisions of sub-paragraph 3(D), the overall limit on the number of Metro Pacific Shares which may be issued upon exercise of all Options to be granted and yet to be exercised under the Metro Pacific Stock Option Plan and other stock option plans of Metro Pacific must not exceed ten per cent (10%) of the Metro Pacific Shares in issue from time to time. In addition, the maximum number of Metro Pacific Shares in respect of which Options may be granted under the Metro Pacific Stock Option Plan shall not (when aggregated with any Metro Pacific Shares subject to any other stock option plans of Metro Pacific) exceed ten per cent (10%) of the issued Metro Pacific Shares on the Adoption Date (“**Plan Limit**”).
- (C) If an Option shall expire or lapse for any reason without having been exercised in full, the unpurchased Metro Pacific Shares covered thereby (unless the Metro Pacific Plan shall have been terminated) shall not be counted for purposes of calculating the Plan Limit and shall be added to the Metro Pacific Shares otherwise available for Options under the Metro Pacific Stock Option Plan.
- (D) In the event of a merger, consolidation, reorganization, recapitalization, reclassification of stock, stock dividend, stock split or other change in the corporate structure or capitalization affecting Metro Pacific’s Shares, the Metro Pacific Committee shall, subject to the approval of the Auditors or an independent financial adviser engaged by Metro Pacific for this purpose, make reasonable adjustments as may be warranted in the aggregate number and kind of Metro Pacific Shares for which Options may be granted, the number and kind of Metro Pacific Shares and the price per Metro Pacific Share subject to outstanding Options and the method of exercise of Options under the Metro Pacific Stock Option Plan.

4. PERSONS ELIGIBLE TO PARTICIPATE

- (A) Options may be granted pursuant to the Metro Pacific Stock Option Plan to individuals who, at the time of the grant, are full time senior management officers of the Metro Pacific Group and/or directors of Metro Pacific. Senior management officers include the Presidents, General Managers, key Metro Pacific Group Executives and senior officers reporting directly or indirectly to the Presidents and General Managers, of the Metro Pacific Group.
- (B) Prior to an Option Offer Date, the Metro Pacific Committee shall select the senior management officers and directors of Metro Pacific to whom Options may be granted for that calendar year and determine the number of Metro Pacific Shares to be covered by each Option so granted, provided that, the aggregate number of Metro Pacific Shares which may be issued upon exercise of the Options granted and to be granted to any one Eligible Participant (whether or not already an Option Holder) in any 12-month period shall not exceed one per cent (1%) of the Metro Pacific Shares in issue at the relevant time (the “**Eligible Participant Limit**”).
- (C) In determining the eligibility of a senior management officer/director of Metro Pacific to receive an Option, as well as the number and class of Metro Pacific Shares to be covered by each Option, the Metro Pacific Committee shall consider the position and responsibilities of the senior management officer/director of Metro Pacific, the nature

and value of his services and accomplishment(s), his present and potential contribution to the success of the Metro Pacific Group or the subsidiary of Metro Pacific in which he is employed, and such other factors as the Metro Pacific Committee may deem relevant.

5. TERMS AND CONDITIONS OF THE OPTION

- (A) If in accordance with paragraph 4, the Metro Pacific Committee determines to grant an Option to an Eligible Participant, an offer shall be forwarded by the Metro Pacific Committee, provided that a grant of Option may not be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been published in a newspaper of general circulation . In particular, no Option may be granted during the period commencing one (1) month immediately preceding the earlier of:
 - (i) the date of the board meeting for the approval of Metro Pacific's results for any year, half-year, quarterly or any other interim period; and
 - (ii) the deadline for the issuer to publish an announcement of its results for any year or half-year under the rules of the SEC and/or the PSE, or quarterly or any other interim period (whether or not required by the SEC and/or PSE), and ending on the date of the results announcement.
- (B) The offer of the grant of Option to an Eligible Participant shall be by means of an option offer letter under the terms and conditions set forth in the Metro Pacific Stock Option Plan and such other terms and conditions as the Metro Pacific Committee may determine from time to time (including, but not limited to, any minimum period(s) for which that Option must be held and any minimum performance target(s) must be reached before the Option can be exercised in whole or in part). The offer shall be open for acceptance by an Eligible Participant by payment of Ten Pesos (P10.00) within twenty eight (28) days from receipt of the option offer letter or such shorter period as may be specified in the relevant option offer letter.
- (C) The vesting percentage and vesting schedule of the Options granted under the Metro Pacific Stock Option Plan shall be determined by the Metro Pacific Committee.
- (D) An Option under the Metro Pacific Stock Option Plan shall be personal to the Option Holder and shall not be assignable or transferable. The Option Holder concerned shall not sell, transfer, charge, mortgage, encumber or create any security interest over an Option granted under the Metro Pacific Stock Option Plan. Any breach of the foregoing shall entitle Metro Pacific to cancel any outstanding Options or part thereof granted to such Option Holder (including, but not limited to, the Option in question).
- (E) An Option granted under the Metro Pacific Stock Option Plan shall lapse automatically (to the extent not already exercised) at the earliest of:
 - (i) the end of an Option's Life Cycle;
 - (ii) the expiration of the period referred to in sub-paragraph 7(C);

- (iii) the date the Option Holder ceases to be a director or full-time employee of Metro Pacific or the subsidiary in which he is employed other than for death or illness, unless otherwise determined by the Metro Pacific Committee (whether such determination is made before or after the date of such cessation), in which case the Option shall be exercisable to the extent and within such period as the Board of Metro Pacific may determine. In the case of cessation of employment, the date of cessation shall be the last actual working day on which the Option Holder was physically at work as an employee of Metro Pacific or the subsidiary in which he is employed, whether or not salary is paid in lieu of notice;
- (iv) subject to sub-paragraph 7(E), the date of effectivity of Metro Pacific's dissolution; and
- (v) the date on which the Option Holder commits any of the acts prohibited under sub-paragraph 5(D).

6. EXERCISE PRICE

The Exercise Price shall be determined by the Metro Pacific Committee but at an amount not lower than (i) the closing price of the Metro Pacific Shares for one or more board lots of such Metro Pacific Shares on the PSE on the Option Offer Date; (ii) the average closing price of the Metro Pacific Shares for one or more board lots of such Metro Pacific Shares on the PSE for the five (5) business days on which dealings in the Metro Pacific Shares are made immediately preceding the Option Offer Date; or (iii) the par value of the Metro Pacific Shares, whichever is higher. The Exercise Price may be reasonably adjusted by the Metro Pacific Committee, subject to the approval of the Auditors or an independent financial adviser engaged by Metro Pacific for this purpose, in case of payment of stock dividends, issuance of rights shares, stock splits and other analogous acts resulting in the increase or decrease in the outstanding capital stock of Metro Pacific.

7. EXERCISE OF OPTION

- (A) An Option Holder may exercise in whole or in part his vested Option, provided that an Option exercisable but not actually exercised within a given year shall accrue and may be exercised at any time thereafter but prior to the expiration of said Option's Life Cycle.
- (B) An Option shall be exercised in whole or in part by the Option Holder (or his heirs or legal representative) by giving notice in writing to the Metro Pacific Committee specifying the number of Metro Pacific Shares to be purchased and accompanied by payment in cash of the full amount of the Exercise Price. Within twenty eight (28) days from receipt of the full amount of the Exercise Price, Metro Pacific shall issue and allot the Metro Pacific Shares subscribed for, and as soon as reasonably practicable thereafter shall issue the certificate of stock evidencing the corresponding number of fully paid and issued Metro Pacific Shares to the Option Holder.

- (C) If the Option Holder ceases to be a senior management officer or director of Metro Pacific by reason of death or long term disability, he or his heirs or legal representative shall be entitled to exercise any unexercised and vested Option within eighteen (18) months following the last actual working day of the Option Holder with Metro Pacific or the subsidiary by which he is employed.
- (D) If a general offer is unconditionally made to all shareholders of Metro Pacific at any time before the expiry of the Option's Life Cycle, the Option Holder (or his legal representative, if applicable), may exercise any unexercised and unvested Option in full within one (1) month after the general offer is made notwithstanding that the date the offer is made is less than one (1) year after the Option Offer Date.
- (E) In the event the shareholders of Metro Pacific pass a resolution for the voluntary dissolution of Metro Pacific prior to the expiry of the Option's Life Cycle, an Option Holder may, by notice in writing and within three (3) months after the resolution is duly passed, elect to be treated as if his unexercised and unvested Option had been exercised in full force before the resolution, and will qualify to receive out of the assets available in liquidation such sum as would have been received in respect of the Metro Pacific Shares which are the subject of such election reduced by the Exercise Price which would otherwise have been payable in respect thereof.

8. RANKING OF SHARES

The Metro Pacific Shares to be issued and allotted upon the exercise of an Option shall rank *pari passu* in all respects with the then existing Metro Pacific Shares of the same kind in Metro Pacific with effect from the date of issue of the Metro Pacific Shares, and will be subject to all the provisions of the Articles of Incorporation and By-Laws of Metro Pacific for the time being in force. Prior to the Option Holder being issued the Metro Pacific Shares in respect of the Option, the Option Holder shall not have any voting rights nor rights to participate in any dividends or distributions in respect of the Metro Pacific Shares to be allotted and issued upon the exercise of the Option, except as may be provided in sub-paragraph 7(E).

9. DISPUTES

The Committee may, in its discretion and subject to the approval of the Board of Metro Pacific, refer any dispute arising under the Metro Pacific Stock Option Plan to the Auditors who shall act as experts and not as arbitrators and whose decision, in the absence of manifest error, shall be final and binding.

10. SUSPENSION, TERMINATION, OR AMENDMENT OF THE PLAN

- (A) Upon the recommendation of the Metro Pacific Committee, the Board of Metro Pacific may, at any time, suspend or terminate the Metro Pacific Stock Option Plan and in such event no further Options shall be granted thereunder, provided that, in all other respects the provisions of the Metro Pacific Stock Option Plan shall remain in force and the suspension or termination of the Metro Pacific Stock Option Plan shall not impair the rights of an Option Holder previously granted under the Metro Pacific Stock Option Plan.

- (B) The approval of the shareholders owning at least two-thirds (2/3) of the outstanding capital stock of Metro Pacific shall first be secured for the effectivity of any modification or amendment of the Metro Pacific Stock Option Plan.

11. MISCELLANEOUS

- (A) Nothing contained in the Metro Pacific Stock Option Plan shall restrict the right of Metro Pacific or any of its subsidiaries to terminate the employment of senior management officers and/or remove the directors of Metro Pacific otherwise entitled to an Option under the Metro Pacific Stock Option Plan.
- (B) The Metro Pacific Stock Option Plan shall not form part of any contract of employment or other contract between Metro Pacific or any member of the Metro Pacific Group and any Eligible Participant or Option Holder, and the rights and obligations of such person under the terms of his employment or contract shall not be affected by his participation in the Metro Pacific Stock Option Plan or any right which he may have to participate in it and the Metro Pacific Stock Option Plan shall afford such Eligible Participant or Option Holder no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason. The Metro Pacific Stock Option Plan shall not confer on any person any legal or equitable rights (other than those constituting the Options themselves) against Metro Pacific directly or indirectly or give rise to any cause of action at law or in equity against Metro Pacific.
- (C) The Metro Pacific Stock Option Plan and all Options granted thereunder shall be governed by and construed in accordance with the laws of the Republic of the Philippines.

NOTICE OF ANNUAL GENERAL MEETING



FIRST PACIFIC COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of First Pacific Company Limited (the “Company”) will be held at The Bamboo and Peacock Rooms, 1st Floor, Mandarin Oriental, 5 Connaught Road, Central, Hong Kong SAR on Thursday, 9th June, 2005 at 10:30 a.m. for the following purposes:

1. To receive and adopt the Audited Accounts and the Reports of the Directors and Auditors for the year ended 31st December, 2004.
2. To re-appoint Ernst & Young as Auditors of the Company and to authorize the Board of Directors of the Company to fix their remuneration.
3. As ordinary business, to consider and, if thought fit, pass each of the following resolutions as Special Resolutions:–
 - (a) THAT Mr. Anthoni Salim be and is hereby re-elected as a non-executive director and chairman of the board of directors of the Company for a fixed term of not more than three years, commencing on the date of this Annual General Meeting and ending on the earlier of (1) the date of the Company’s annual general meeting to be held in calendar year 2008 or (2) 8th June, 2008 or (3) the date on which Mr. Anthoni Salim retires by rotation pursuant to the Code on Corporate Governance Practices adopted by the Company (the “Code”) and/or the Bye-laws.
 - (b) THAT Mr. Manuel V. Pangilinan be and is hereby re-elected as managing director and chief executive officer of the Company.
 - (c) THAT Mr. Edward A. Tortorici be and is hereby re-elected as an executive director of the Company.
 - (d) THAT Mr. Robert C. Nicholson be and is hereby re-elected as an executive director of the Company.
 - (e) THAT Prof. Edward K.Y. Chen be and is hereby re-elected as an independent non-executive director of the Company for a fixed term of not more than three years, commencing on the date of this Annual General Meeting and ending on the earlier of (1) the date of the Company’s annual general meeting to be held in calendar year 2008 or (2) 8th June, 2008 or (3) the date on which Prof. Edward K.Y. Chen retires by rotation pursuant to the Code and/or the Bye-laws.

NOTICE OF ANNUAL GENERAL MEETING

- (f) THAT Mr. Graham L. Pickles be and is hereby re-elected as an independent non-executive director of the Company for a fixed term of not more than three years, commencing on the date of this Annual General Meeting and ending on the earlier of (1) the date of the Company's Annual General Meeting to be held in calendar year 2008 and (2) 8th June, 2008 or (3) the date on which Mr. Graham L. Pickles retires by rotation pursuant to the Code and/or the Bye-laws.
- (g) THAT Mr. David W.C. Tang be and is hereby re-elected as an independent non-executive director of the Company for a fixed term of not more than three years, commencing on the date of this Annual General Meeting and ending on the earlier of (1) the date of the Company's annual general meeting to be held in calendar year 2008 and (2) 8th June, 2008 or (3) the date on which Mr. David W.C. Tang retires by rotation pursuant to the Code and/or the Bye-laws.
- (h) THAT His Excellency Albert F. del Rosario be and is hereby re-elected as a non-executive director of the Company for a fixed term of not more than three years, commencing on the date of this Annual General Meeting and ending on the earlier of (1) the date of the Company's annual general meeting to be held in calendar year 2008 and (2) 8th June, 2008 or (3) the date on which His Excellency Albert F. del Rosario retires by rotation pursuant to the Code and/or the Bye-laws.
- (i) THAT Mr. Sutanto Djuhar be and is hereby re-elected as a non-executive director of the Company for a fixed term of not more than three years, commencing on the date of this Annual General Meeting and ending on the earlier of (1) the date of the Company's annual general meeting to be held in calendar year 2008 and (2) 8th June, 2008 or (3) the date on which Mr. Sutanto Djuhar retires by rotation pursuant to the Code and/or the Bye-laws.
- (j) THAT Mr. Tedy Djuhar be and is hereby re-elected as a non-executive director of the Company for a fixed term of not more than three years, commencing on the date of this Annual General Meeting and ending on the earlier of (1) the date of the Company's annual general meeting to be held in calendar year 2008 and (2) 8th June, 2008 or (3) the date on which Mr. Tedy Djuhar retires by rotation pursuant to the Code and/or the Bye-laws.
- (k) THAT Mr. Ibrahim Risjad be and is hereby re-elected as a non-executive director of the Company for a fixed term of not more than three years, commencing on the date of this Annual General Meeting and ending on the earlier of (1) the date of the Company's annual general meeting to be held in calendar year 2008 and (2) 8th June, 2008 or (3) the date on which Mr. Ibrahim Risjad retires by rotation pursuant to the Code and/or the Bye-laws.
- (l) THAT Mr. Benny S. Santoso be and is hereby re-elected as a non-executive director of the Company for a fixed term of not more than three years, commencing on the date of this Annual General Meeting and ending on the earlier of (1) the date of the Company's annual general meeting to be held in calendar year 2008 and (2) 8th June, 2008 or (3) the date on which Mr. Benny S. Santoso retires by rotation pursuant to the Code and/or the Bye-laws.

NOTICE OF ANNUAL GENERAL MEETING

4. To fix the directors' remuneration pursuant to the Company's Bye-laws.
5. As special business, to consider and, if thought fit, pass with or without modification the following as an Ordinary Resolution:

"THAT the board of directors of the Company 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 directors 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."

6. As special business, to consider and, if thought fit, pass with or without modification the following as an Ordinary Resolution:

"THAT:

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby approved generally and unconditionally;
- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital 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 approval 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 on shares of the Company in accordance with the Bye-laws of the Company, shall not exceed twenty (20) per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of this Resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(d) 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 expiration 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 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 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 recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

7. As special business, to consider and, if thought fit, pass with or without modification the following as an Ordinary Resolution:

“**THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to repurchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the Shares may be listed, and which is recognised 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 Repurchases and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), be and is hereby approved generally and unconditionally;
- (b) the aggregate nominal amount of share capital which may be purchased or agreed conditionally or unconditionally to be purchased by the directors of the Company pursuant to the approval in paragraph (a) above shall not exceed ten (10) per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of this Resolution, and the said approval 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 expiration 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 in general meeting.”

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

“**THAT** conditional upon the passing of Ordinary Resolutions numbered 6 and 7 as set out in the Notice convening this meeting, the aggregate nominal amount of the number of shares in the capital of the Company that shall have been repurchased by the Company after the date hereof pursuant to and in accordance with the said Ordinary Resolution 7 shall be added to the aggregate nominal amount of share capital that may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company pursuant to the general mandate to allot and issue shares granted to the directors of the Company by the said Ordinary Resolution 6.”

9. As special business, to consider and, if thought fit, pass with or without modification the following as a Special Resolution:

“**THAT** the Bye-laws of the Company be amended as follows:

- (A) By deleting the words “Special Resolution” where they appear in the first line of Bye-law 117(A) and replacing them with the words “Ordinary Resolution”.
- (B) By adding the following new Bye-laws 117A, 117B and 117C after the existing Bye-law 117:

117A. 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 greater than one-third) shall retire from office. Any Director retiring at a meeting pursuant to this bye-law 117A shall retain office until the close or adjournment of the meeting.

117B. Any Director who wishes to retire and not to offer himself for re-election shall be included for the purposes of determining the number of the Directors to retire at any annual general meeting pursuant to the preceding bye-law 117A. Any further Directors so to retire shall be those of the other directors subject to retirement by rotation who have been longest in office since their last election or appointment and so that as between

NOTICE OF ANNUAL GENERAL MEETING

persons who became or were last elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for election.

117C. The Company at the annual general meeting at which a Director retires in accordance with these Bye-laws may fill up the vacated office by electing a person thereto, and in default of such election by the Company, the retiring Director shall be deemed to have been re-elected and shall, if willing, continue in office until the next annual general meeting and so on from year to year until his place is filled, unless:—

- (a) it is expressly resolved at such meeting not to fill up such vacated office; or
- (b) a resolution for the re-election of such Director shall have been put to the meeting and lost; or
- (c) such Director has given notice in writing to the Company that he is unwilling to be re-elected.

(C) By deleting the words “delivered or sent by post to the registered address of” where they appear in the sixth line of Bye-law 159(B) and replacing them with the words “sent to”.

(D) By deleting the words “delivered or sent by post to the registered address of” where they appear in the eighth line of Bye-law 159(C) and replacing them with the words “sent to”.

10. As special business, to consider and, if thought fit, pass with or without modification the following as an Ordinary Resolution:

“**THAT** the new executive stock option plan of Metro Pacific Corporation (“MPC”), the terms of which are contained in the document produced to the meeting marked “A” and initialed by the chairman of the meeting for the purpose of identification, be and is hereby approved and adopted as the new executive stock option plan of MPC and that the directors of MPC be and are hereby authorized to grant options to subscribe for shares of MPC thereunder, allot and issue shares of MPC pursuant to the exercise of any options which may be granted under the executive stock option plan, and exercise and perform the rights, powers and obligations of MPC thereunder and do all such things and take all such actions as the directors of MPC may consider to be necessary or desirable in connection with the foregoing.

11. 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, 30th April, 2005

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

Registered Office
Canon’s Court, 22 Victoria Street,
Hamilton, HM 12, Bermuda

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes to the Notice of Annual General Meeting (the “Meeting”):

1. Every member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
2. A form of proxy for use at the meeting is enclosed in the circular containing the notice of the Meeting (the “Notice”). The form of proxy will also be published on the website of The Stock Exchange of Hong Kong Limited and can also be downloaded from the Company’s website: www.firstpacco.com.hk.
3. In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited at the principal office of the Company (Attention: Corporate Secretarial Department) not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
4. With respect to agenda item No. 6 in the Notice, approval is being sought from the members because under the Listing Rules the existing general mandate to issue shares lapses at the Meeting.
5. An explanatory statement containing further details regarding agenda item No. 7 in the Notice on the general mandate to repurchase shares is set out in Appendix I of the circular containing the Notice.
6. The Bye-laws of the Company are written in English. There is no official Chinese translation in respect thereof. Therefore, the Chinese version of Agenda item No. 9 in the Notice on the amendment of the Bye-laws is purely a translation only. Should there be any discrepancies, the English version shall prevail.