FIRST PACIFIC COMPANY LIMITED

(Incorporated with limited liability under the laws of Bermuda)

2019 FULL-YEAR AUDITED FINANCIAL RESULTS
LIQUIDITY SOUND AMID COVID-19 RESPONSE

GROUP COMPANIES RESPOND TO COVID-19 PANDEMIC
COVID-19 PANDEMIC TRIGGERS SHIFT IN DEMAND
LIQUIDITY REMAINS SOUND AT FIRST PACIFIC & CORE HOLDINGS
TURNOVER UP 4% TO NEAR RECORD HIGH US$8.1 BLN
CONTRIBUTION FROM CORE HOLDINGS UP 9% AT US$409.5 MLN
CONTRIBUTION FROM OPERATIONS US$395.6 MLN VS US$393.9 MLN
RECURRING PROFIT UP AT US$290.0 MLN VS US$289.5 MLN
NET LOSS US$253.9 MLN ON NON-CASH NON-RECURRING ITEMS
FINAL DISTRIBUTION INCREASED TO 7.0 HK CENTS/SHARE
FULL YEAR DISTRIBUTION UNCHANGED AT 13.5 HK CENTS/SHARE
10TH YEAR IN A ROW OF 25% DISTRIBUTION PAYOUT RATIO

Hong Kong, 24th March, 2020 – First Pacific Company Limited (HKSE: 00142) ("First Pacific" or the "Company") today reported its audited financial results for the year ended 31st December 2019, showing near record high revenues and a rise in contribution from operations and recurring profit. Performance at core investments has been strong in the opening weeks of 2020, but the emergence of the Covid-19 pandemic threatens to reduce demand across the board. The Company has stress-tested cash flow scenarios of increasing pessimism in light of this crisis and concluded that there is adequate liquidity at Head Office and core operating companies.

"The world is in a state of crisis, and authorities are laying out unprecedented measures to fight the consequences of this pandemic," said Manuel V. Pangilinan, Managing Director and Chief Executive Officer of First Pacific. "For our part, liquidity remains sound at First Pacific and our core holdings, and we anticipate no difficulties meeting our commitments going forward, notwithstanding the impact of Covid-19 we are seeing now on the performance of our operating companies."

First Pacific head office in Hong Kong is into its third month of pandemic response with no illnesses among staff or their families. To ensure the continuing health of staff and the community we live in, the Company has been following Hong Kong Government guidelines on social distancing, working from home, and other policies.

As at 31st December 2019, the Company had cash on hand of US$325.0 million, some of which is earmarked for repayment of a US$252 million bond falling due in September 2020. This is the only Head Office borrowing falling due this year.

Recurring profit rose to US$290.0 million compared with US$289.5 million in 2018 as sharply lower corporate overheads were offset by higher other costs. Net interest expense was largely unchanged following two successive years of decline.

Notwithstanding the increase in recurring profit, the Company reported a non-cash net loss of US$253.9 million owing to non-cash write-downs, compared to net profit of US$131.8 million in 2018. Given the non-cash nature of most of the impairments recognized and the sound liquidity position at the Company level, First Pacific's Board of Directors recommended no change to the total distribution to shareholders based on earnings growth at the Company's three core holdings in 2019 and the expectation of their continued earnings health in the medium and long term. The core holdings are PT Indofood Sukses Makmur Tbk ("Indofood"), PLDT Inc. ("PLDT"), and Metro Pacific Investments Corporation ("MPIC").

2019 marked the 10th year in a row of a distribution of at least 25% of First Pacific's recurring profit.

"We anticipate that these non-cash, non-recurring items will close a difficult chapter in our long history," Pangilinan said. "Our focus now is on the core businesses continuing to deliver strong and steady growth to bring the returns our shareholders expect. The emergence of the Covid-19 pandemic threatens to postpone this growth, however, and while we lack the certainty at this time to forecast full-year results, we remain positive about the medium- and long-term outlook for our core businesses."

Where possible, FPC Group companies are introducing work-from-home policies and other measures to mitigate the impact of the Covid-19 pandemic. In addition, Group companies have committed to continuing salary payments to furloughed staff, provided supplementary pay and vitamins to staff, and stand ready to do more. PLDT has taken measures to ensure the continuity of network operations to ensure data services remain available. It has also increased sanitation measures at stores and service centers and introduced temperature checks for staff and customers.

Manila Electric Company ("Meralco"), the largest electricity distributor in the Philippines, is observing an increase in residential electricity consumption even as industrial and commercial demand declines. MPIC's toll roads and light rail businesses are observing steep declines in demand, while Maynilad Water Services Inc. ("Maynilad") has reported it has sufficient reserves of water to meet customers' needs through June and has commitments of further supply for the balance of the year. MPIC's 20%-owned hospitals business is undergoing crash preparations for the pandemic.

Roxas Holdings Inc. ("RHI"), a sugar and alcohol producer, is gearing up to help supply hand sanitizers. Philex Mining Corp. ("Philex"), a large producer of gold and copper, has introduced a range of safety and mitigation policies such as temperature checks at its mine site, social distancing and telecommuting where possible.

"We are all working together to get through this crisis as best we can. Our unity within the First Pacific Group will be a force multiplier in this difficult time," Pangilinan said.

"The financial markets are currently going through history-making turmoil amid this terrible pandemic. While extraordinary, these circumstances are temporary, and we must prepare for what comes next," Pangilinan said. "We have strengthened our Board of Directors and our oversight. We are prepared."

The Company established a Finance Committee under the Board of Directors in July 2019. Made up of four independent non-executive directors and the Chief Executive Officer, the Finance Committee reviews the Company's key financial operations and decisions. Its terms of reference can be found here. Today, First Pacific appointed a fifth independent non-executive director, Blair Pickerell, who has extensive experience in conglomerate and investment management in Hong Kong and Southeast Asia. The Board also appointed Axton Salim, with over a decade of experience at Indofood, as a non-executive director.

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

Turnover at First Pacific rose 4% in 2019 to a near-record US$8.1 billion from US$7.7 billion. Total contribution from operations increased to US$395.6 million versus US$393.9 million as record high contributions from Indofood and MPIC were offset by lower or negative contributions from other operating assets. Taken together, the core holdings of Indofood, MPIC and PLDT saw their contribution rise 9% to US$409.5 million from US$376.3 million a year earlier.

It was among the smaller investments that the bulk of non-recurring non-cash provisions took place. The Company recorded a loss of US$308.3 million for the disposal of Goodman Fielder Pty Limited ("Goodman Fielder"), a leading food manufacturer headquartered in Australia. First Pacific also recorded a non-cash impairment provision for investment in PacificLight Power Pte. Ltd. ("PLP"), a gas-fired electricity producer in Singapore. In all, non-recurring items totaled US$553.7 million.

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

"As a sign of our confidence in the outlook for the First Pacific Group over the medium term, the Board of First Pacific has decided to leave the total distribution unchanged on a per-share basis and declare a final distribution of 7.0 HK cents per share," Pangilinan said. "This will leave our full-year distribution unchanged at 13.5 HK cents in 2019 and represent a payout ratio of 26% of recurring profit."

In U.S. dollar terms, the final dividend recommended by First Pacific's Board amounts to 0.90 U.S. cents per share and brings the full-year regular distribution to 1.73 U.S. cents. Basic loss per share was 5.85 U.S. cents in 2019 versus basic earnings per share of 3.04 U.S. cents a year earlier.

Indofood, the world's largest maker of wheat instant noodles and the biggest consumer food company in Indonesia, saw its contribution rise 21% to US$163.4 million on strong growth in its noodles, dairy and flour businesses, partly offset by weaker prices in its plantations business.

MPIC saw a 5% rise in contribution to US$126.8 million from US$120.9 million on higher contribution from its electricity and toll road businesses, partly offset by higher net interest expense and lower contribution from its water business.

The contribution from PLDT, the largest telecommunications provider in the Philippines, was flat at US$119.3 million versus US$120.7 million largely as a result of the absence of a gain from the deconsolidation of a fintech company, and higher depreciation and finance costs partly offset by higher wireless service revenues and lower cash operating expenses. After spending an average of nearly US$1 billion on capital expenditures every year since 2015, PLDT now offers what independent industry observers describe as far and away the best telecommunications services in the Philippines.

Following contributions from operating companies to First Pacific's earnings, corporate overheads fell to US$20.8 million from US$23.7, marking a fourth successive year of decline. First Pacific's interest bill was flat at US$76.5 million versus US$76.4 million, and other expenses rose to US$8.3 million from US$4.3 million. First Pacific Head Office recorded foreign exchange gains of US$3.2 million versus a loss of US$5.7 million a year earlier. Foreign exchange gains from operating units slipped to US$3.6 million from US$6.1 million while the change in fair value of plantations swung to a gain of US$3.0 million from a loss of US$0.3 million.

First Pacific received US$165.1 million in dividend and fee income from its operating companies in 2019, down from US$202.9 million received in 2018, when dividend income was lifted by a one-time interim dividend payment by Indofood.

At 31st December 2019, net debt at the Head Office declined to approximately US$1.33 billion. Fixed-rate debt made up 53% of the total, with floating-rate debt making up the remaining 47%. First Pacific's blended interest cost amounted to 4.2% per annum and the average maturity of its debt was 3.2 years. This includes the US$252 million bond repayment due in September 2020, the Company's sole borrowing coming due this year.

OUTLOOK

"First Pacific will enter its fourth decade in 2021 and I am confident that the years of investment made in our core businesses and the difficult decisions made in 2019 will see us prepared for strong and steady growth in our core businesses in Indonesia and the Philippines," Pangilinan said.

"However, we are in the early stages of a global pandemic, and it is beginning to affect our businesses – not just our sales, but also and more importantly the safety and security of our customers, our workforce and all our stakeholders. The foundations are in place for a strong upturn, but we must now expect that this will be delayed while we all work together to defeat this Covid-19 pandemic," Pangilinan said.

"We forecast steady decline in our interest bill this year and in the years ahead. Notwithstanding the threat implied by Covid-19, we expect to see rising dividend income from our core investments of Indofood, PLDT and MPIC in a post-pandemic world," he said. "The impairments recorded in our 2019 accounts leave us with a clean slate and every expectation that our sound liquidity and strengthening finances will enable us to further improve our balance sheet even as we prepare for a post-pandemic medium-term share repurchase program to help lift our share price and reduce our absolutely unwarranted discount to net asset value."

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

REVIEW OF OPERATIONS

Indofood reported a 23% increase in core income to Rp4.9 trillion from Rp4.0 trillion a year earlier largely as a result of strong sales growth at the Consumer Branded Products business.

More details are available at www.indofood.com.

PLDT reported a 3% decline in core income last year to ₱25.1 billion from ₱25.9 billion in 2018 owing mainly to the absence of a gain from the deconsolidation of a fintech company, and higher depreciation and finance costs partly offset by higher wireless service revenues and lower cash operating expenses.

More details are available at www.pldt.com.

MPIC reported a 4% increase in core income to ₱15.6 billion from ₱15.1 billion a year earlier on contribution growth led by its toll road and electricity businesses in spite of continuing regulatory challenges.

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

Further information and analysis

Attached to this news release are:

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

More details about the earnings of First Pacific and of its operating companies can be found on www.firstpacific.com under the Investor Relations tab. The 2019 Annual Report will be posted to the website and to shareholders before the end of April 2020.

Corporate Profile

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

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CONSOLIDATED INCOME STATEMENT

For the year ended 31 December	2019 US$m	2018 US$m
Turnover	**8,054.7**	7,742.4
Cost of sales	**(5,606.4)**	(5,564.6)
Gross profit	**2,448.3**	2,177.8
Selling and distribution expenses	**(606.2)**	(553.4)
Administrative expenses	**(673.2)**	(621.0)
Other operating expenses, net	**(524.3)**	(63.9)
Interest income	**85.7**	64.6
Finance costs	**(477.4)**	(422.3)
Share of profits less losses of associated companies and joint ventures	**335.1**	319.5
Profit before taxation	**588.0**	901.3
Taxation	**(466.9)**	(292.6)
Profit for the year	**121.1**	608.7
(Loss)/profit attributable to:		
Owners of the parent	**(253.9)**	131.8
Non-controlling interests	**375.0**	476.9
	121.1	608.7
	US¢	US¢
(Loss)/earnings per share attributable to owners of the parent		
Basic	**(5.85)**	3.04
Diluted	**(5.85)**	3.03

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	At 31 December 2019 US$m	At 31 December 2018 US$m
Non-current assets		
Property, plant and equipment	**4,938.7**	5,157.4
Biological assets	**22.6**	22.7
Associated companies and joint ventures	**4,787.7**	4,877.3
Goodwill	**693.2**	1,111.5
Other intangible assets	**5,004.7**	4,182.5
Investment properties	**13.4**	9.5
Accounts receivable, other receivables and prepayments	**37.4**	16.2
Financial assets at fair value through other comprehensive income	**385.9**	319.4
Deferred tax assets	**156.4**	195.4
Other non-current assets	**819.9**	749.1
	16,859.9	16,641.0
Current assets		
Cash and cash equivalents and short-term deposits	**2,846.4**	1,630.8
Restricted cash	**106.0**	103.2
Financial assets at fair value through other comprehensive income	**9.9**	289.6
Accounts receivable, other receivables and prepayments	**1,070.7**	1,133.9
Inventories	**799.0**	942.0
Biological assets	**52.0**	36.1
	4,884.0	4,135.6
Assets classified as held for sale	**138.6**	124.9
	5,022.6	4,260.5
Current liabilities		
Accounts payable, other payables and accruals	**1,569.3**	1,362.6
Short-term borrowings	**2,262.8**	2,281.1
Provision for taxation	**97.3**	57.3
Current portion of deferred liabilities, provisions and payables	**542.5**	419.8
	4,471.9	4,120.8
Liabilities directly associated with the assets classified as held for sale	**25.4**	19.5
	4,497.3	4,140.3
Net current assets	**525.3**	120.2
Total assets less current liabilities	**17,385.2**	16,761.2
Equity		
Issued share capital	**43.4**	43.4
Shares held for share award scheme	**(3.2)**	(4.9)
Retained earnings	**1,401.4**	1,582.1
Other components of equity	**1,487.1**	1,463.0
Equity attributable to owners of the parent	**2,928.7**	3,083.6
Non-controlling interests	**5,829.3**	5,626.8
Total equity	**8,758.0**	8,710.4
Non-current liabilities		
Long-term borrowings	**6,668.0**	6,236.8
Deferred liabilities, provisions and payables	**1,535.3**	1,488.9
Deferred tax liabilities	**423.9**	325.1
	8,627.2	8,050.8
	17,385.2	16,761.2

CONTRIBUTION AND PROFIT SUMMARY

For the year ended 31 December US$ millions	Turnover **2019**	 2018	Contribution to Group profit(i) **2019**	 2018
Indofood	**5,414.4**	5,136.1	**163.4**	134.7
PLDT(ii)	**-**	-	**119.3**	120.7
MPIC	**1,709.5**	1,575.8	**126.8**	120.9
Philex(ii)	**-**	-	**1.0**	2.9
FPM Power	**713.4**	728.6	**(10.5)**	(6.2)
FP Natural Resources	**217.4**	301.9	**(7.2)**	(0.3)
FPW(iii)	**-**	-	**2.8**	21.2
Contribution from operations(iv)	**8,054.7**	7,742.4	**395.6**	393.9
Head Office items:				
- Corporate overhead			**(20.8)**	(23.7)
- Net interest expense			**(76.5)**	(76.4)
- Other expenses			**(8.3)**	(4.3)
Recurring profit(v)			**290.0**	289.5
Foreign exchange and derivative gains, net(vi)			**6.8**	0.4
Gain/(loss) on changes in fair value of biological assets			**3.0**	(0.3)
Non-recurring items(vii)			**(553.7)**	(157.8)
(Loss)/profit attributable to owners of the parent			**(253.9)**	131.8

(i) After taxation and non-controlling interests, where appropriate.
(ii) Associated companies.
(iii) Joint venture and was sold on 16 December 2019.
(iv) Contribution from operations represents the recurring profit contributed to the Group by its operating companies.
(v) Recurring profit represents the profit attributable to owners of the parent excluding the effects of foreign exchange and derivative gains, gain/(loss) on changes in fair value of biological assets and non-recurring items.
(vi) Foreign exchange and derivative gains, net represent the net gains on foreign exchange translation differences on the Group's unhedged foreign currency denominated net assets/liabilities and the changes in the fair values of derivatives.
(vii) Non-recurring items represent certain items, through occurrence or size, which are not considered as usual operating items. 2019's non-recurring losses of US$553.7 million mainly represent (a) the Group's loss on disposal of Goodman Fielder (US$308.3 million), (b) impairment provisions for the Group's investments in PLP (US$249.5 million) and Philex's mining assets (US$37.5 million), and MPIC's investments in Maynilad, MetroPac Movers, Inc. and other water investments (US$124.2 million), (c) PLDT's manpower reduction costs (US$11.5 million), PLP's provision for onerous contracts (US$6.9 million) and RHI's write-off of deferred tax assets (US$6.7 million), partly offset by MPIC's gain on deconsolidation of Metro Pacific Hospital Holdings, Inc. (US$210.6 million). 2018's non-recurring losses of US$157.8 million mainly represent the Group's impairment provisions for assets, including the Group's investment in Philex (US$82.1 million), PLDT's wireless network assets, including accelerated depreciation (US$25.0 million), and Philex's mining assets (US$10.3 million), PLP's provision for onerous contracts (US$11.0 million), Head Office's bond tender and debt refinancing costs (US$10.7 million) and Goodman Fielder's network transformation costs (US$9.3 million).