



FIRST PACIFIC COMPANY LIMITED

第一太平有限公司

(Incorporated with limited liability under the laws of Bermuda)

Press Release

10-YEAR US\$400.0 MLN BOND REDEEMED IN FULL

Replaced by Bank Borrowings

Hong Kong, 18th April 2023 – First Pacific Company Limited (HKSE: 00142) (“First Pacific” or the “Company”) today announced that it has redeemed US\$357.8 million of unsecured bonds the Company issued in April 2013.

First Pacific is a leading investment holding company focused on the economies of emerging Asia and is a major or controlling shareholder in Indonesia’s biggest vertically integrated food company and in the Philippines’ biggest telecommunications, infrastructure, and mining companies.

On 16th April 2013, First Pacific issued US\$400 million of these bonds as senior guaranteed debt carrying a coupon of 4.5%. The issue was the Company’s second-ever unsecured bond offering and built an orderbook of more than US\$3 billion in a sign of the financial markets’ confidence in the creditworthiness of First Pacific. During the period between issue and redemption, the Company purchased a total of US\$42.2 million of the bonds on the secondary market to reduce its overall interest bill. The full redemption of the remaining US\$357.8 million of bonds leaves just one outstanding bond issue by First Pacific, US\$350 million of 4.375% seven-year bonds maturing on 11th September 2027.

“The on-time and in-full redemption of this bond underscores the financial strength of our Company,” said First Pacific Managing Director and Chief Executive Manuel V. Pangilinan.

The bond redemption was financed by long term bank borrowings. Gross debt remains little changed at approximately US\$1.5 billion with a blended interest cost of approximately 5% while the average maturity extends to 3.8 years.

First Pacific Chief Financial Officer and Associate Director Joseph Ng said the redemption establishes a crucial milestone in First Pacific’s proactive liability management program established in early 2017 with a series of bond tenders and redemptions.

“In the current volatile interest rate environment and debt capital market it makes sense to shift the balance of our borrowings more towards bank credit resources while we await the turn in the interest rate cycle and a more stable debt capital market to then push out our maturities. Our free cash after paying our overheads is broadly a strong four times the size of our interest bill,” said Ng.

“As the 16% increase in the full-year 2022 distribution to shareholders shows, First Pacific is well-poised to meet the expectations of both equity and fixed-income investors at the same time,” the executive added, pointing to last month’s full-year earnings announcement by the Company. “And the medium-term outlook is for strong growth in dividend income as our core holdings continue to deliver profit growth.”

Corporate Profile

First Pacific is a Hong Kong-based investment holding company with operations located in Asia-Pacific. The Company’s principal businesses are in consumer food products, telecommunications, infrastructure, and natural resources. 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, please visit www.firstpacific.com. The Company’s up-to-date investor handout can be found at <https://www.firstpacific.com/ir/presentations.php>.

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