

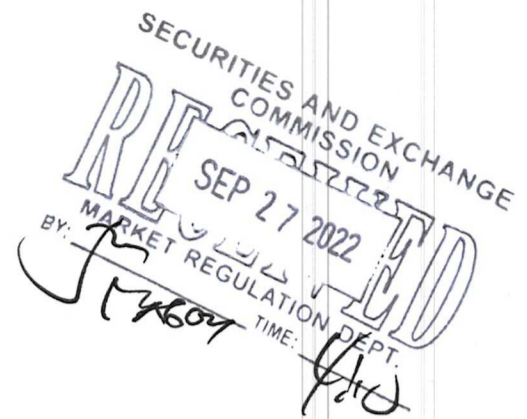
**ALSONS CONSOLIDATED  
RESOURCES, INC.**

**REGISTRATION STATEMENT FOR  
COMMERICAL PAPER PROGRAM**

**INITIAL FILING  
(SEPTEMBER 27, 2022)**

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1. Registration Statement  
SEC Form 12-1

**SECURITIES AND EXCHANGE COMMISSION  
SEC FORM 12-1, AS AMENDED  
REGISTRATION STATEMENT UNDER THE SECURITIES REGULATION CODE**

1. SEC Identification Number: **59366**
2. **ALSONS CONSOLIDATED RESOURCES, INC.**  
Exact name of registrant as specified in its charter
3. **Philippines**  
Province, country or other jurisdiction of  
incorporation or organization
4. **001-748-412**  
BIR Tax Identification Number
- Holdings Company**
5. General character of business of registrant.
6. Industry Classification Code:  (SEC Use Only)
7. **2286 CHINO ROCES AVENUE (FORMERLY PASONG TAMO EXT) MAKATI CITY, 1231 Tel No. (632) 8982-3000; Fax No. (632) 8982-3030**  
Address, including postal code, telephone number, FAX number including area code, of registrant's principal offices
8. **Not Applicable**  
If registrant is not resident in the Philippines, or its principal business is outside the Philippines, state name and address including postal code, telephone number and FAX number, including area code, and email address of resident agent in the Philippines.
9. Fiscal Year Ending Date (Month and Day): **December 31**

**Computation of Registration Fee**

Title of each class of securities to be registered	Amount to be registered	Proposed Maximum offering price per unit	Proposed maximum aggregate offering price	Amount of registration fee
Commercial Paper	PHP3,000,000,000	PHP1.00	PHP3,000,000,000	PHP812,500 + (.025% of PHP3B) + (1% of filing fee) + Documentary Stamp Tax of 30PHP
				<b>PHP1,325,625.00</b>

**SIGNATURES**

Pursuant to the requirements of the Code, this registration statement is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of Makati.

By:

  
TIRSO G. SANTILLAN, JR.  
Executive Vice President

  
JONATHAN F. JIMENEZ  
Assistant Corporate Secretary

  
CARINA U. MATUTINA  
Controller

**SUBSCRIBED AND SWORN** to before me this \_\_\_\_\_ day of SEP 22 2022 2022 affiant(s) exhibiting to me their Valid Identification Cards, as follows:

NAMES	IDENTIFICATION NO.	DATE OF ISSUE	PLACE OF ISSUE
Tirso G. Santillan, Jr.	LTO DL N17-12-000977	valid until 12-Feb-2023	
Jonathan F. Jimenez	LTO DL DOG-86-017937	valid until 25-Oct-2023	
Carina U. Matutina	UMID CRN-006-0084-0929-6		

Doc. No. 181;  
Page No. 38;  
Book No. I;  
Series 2022.

  
ATTY. EDWARD FRANCIS M. ARABE  
COMMISSION NO. M-103  
NOTARY PUBLIC FOR MAKATI CITY  
UNTIL 31 DECEMBER 2023  
UNIT 8A 8/F SAGITTARIUS OFFICE CONDOMINIUM  
111 H.V DELA COSTA STREET, SALCEDO VILLAGE  
BRGY. BEL-AIR 1209 MAKATI CITY  
SC Roll No. 74717/07-15-2020  
IBP No. 177366/02-07-2022/Makati City  
FTR No. MKT8857127/01-10-2022/Makati City

## 2. Prospectus



**ALSONS CONSOLIDATED RESOURCES, INC.**  
**Php 3,000,000,000 Commercial Paper Program**

**First Tranche: Php 1,135,000,000 Commercial Paper**  
**182 and 364 days Tenor**

**Issue Price: Discount to face value**

Alsons Consolidated Resources, Inc. ("ACR", the "Company" or the "Issuer") is authorized by the Securities and Exchange Commission to issue up to Php 1,135,000,000 worth of Commercial Paper ("CP"), as part of a Php 3,000,000,000 CP registration. The CP Program will be issued in one or more tranches with Php 1,135,000,000 Commercial Paper to be issued for the First Tranche of the CP Program. The First Tranche will have the following tenors: 182 days and 364 days for Series T and U, respectively. Series T and U of the First Tranche will carry Discount Rates of [●] % and [●] %, respectively, calculated on a true-discount basis. (See "Terms and Description of the CPs – Discount Rate").

The CPs shall be offered to the public (the "Offer") at discount to face value and in one lump sum or in tranches through the Underwriter and the Selling Agents as may be named below subject to certain conditions in the Issue Management and Underwriting Agreement executed between the Issuer and the Issue Manager/Underwriter. The CPs are intended to be listed at the Philippine Dealing & Exchange Corp. (PDEX) for secondary trading of the CPs and upon such listing, all secondary trading may be coursed through eligible PDEX Trading Participants. The Issuer has been assigned a credit rating of Aa minus corp by the Philippine Ratings Services Corporation ("PhilRatings" or "PRS") on February 23, 2022. A credit rating is not a recommendation to buy, sell, or hold the securities and may be subject to revision, suspension, or withdrawal at any time by PhilRatings.

*Issue Manager, Lead Underwriter and Bookrunner*  
**SB Capital Investment Corporation**

*Financial Advisor*  
**MIB Capital Corporation**

22 September 2022

**THE SECURITIES AND EXCHANGE COMMISSION HAS NOT APPROVED THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS ACCURATE OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE AND SHOULD BE REPORTED IMMEDIATELY TO THE SECURITIES AND EXCHANGE COMMISSION.**

A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION BUT HAS NOT YET BEEN DECLARED EFFECTIVE. NO OFFER TO BUY THE SECURITIES CAN BE ACCEPTED AND NO PART OF THE PURCHASE PRICE CAN BE ACCEPTED OR RECEIVED UNTIL THE REGISTRATION STATEMENT HAS BECOME EFFECTIVE. THEREBY AND ANY SUCH OFFER MAY BE WITHDRAWN OR REVOKED, WITHOUT OBLIGATION OR COMMITMENT OF ANY KIND, AT ANY TIME PRIOR TO NOTICE OF ITS ACCEPTANCE GIVEN AFTER THE EFFECTIVE DATE. AN INDICATION OF INTEREST IN RESPONSE HERETO INVOLVES NO OBLIGATION OR COMMITMENT OF ANY KIND. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY.

**ALSONS CONSOLIDATED RESOURCES, INC.**  
**ALSONS BUILDING, 2286 DON CHINO ROCES AVENUE**  
**MAKATI CITY 1231, PHILIPPINES**  
**+632 8982 3000**

ACR is offering the CPs in an aggregate face value of up to Php 3,000,000,000.00 to be issued in tranches. The First Tranche of the CP Program has an aggregate face value of up to Php 1,135,000,000 (the "CPs" or the "Offer"). The CPs, which may be issued in lump sum or in tranches, shall have an interest rate fixed prior to issuance.

After the close of the Offer and within three (3) years following the issuance of the CPs, the Company may, at its sole discretion, offer any or all of the remaining balance of the face value of the CPs covered by such registration statement, in one or more subsequent tranches under Rule 12.1.2.5 of the Implementing Rules and Regulations of the Securities Regulation Code. Such registration provides the Company with the ability to take advantage of opportunities in a volatile debt capital market, as these occur, and to issue CPs depending on its financing needs. Subsequent issuances are subject to a rating by PRS.

The CPs will be unsecured obligations of the Company and will rank *pari passu* without any preference amongst themselves and at least *pari passu* with other unsecured and unsubordinated obligations of the Company, present and future, other than obligations preferred by law. The CPs will be effectively subordinated in right of payment to all secured debt of the Company to the extent of the value of the assets securing such debt and all debt that is evidenced by a public instrument under Article 2244(14) of the Civil Code of the Philippines.

The Company expects the net Offer proceeds of the First Tranche to amount to approximately Php 1,073,739,498.38. Such proceeds will be used by the Company to finance its working capital requirements and for general corporate purposes, specifically on settling its maturing short-term obligations (See "Use of Proceeds" on page 35). The Issue Manager, Lead Underwriter and Bookrunner will receive 0.40% per annum of the aggregate face value of the CPs issued. Such amount shall be inclusive of the underwriting and selling agency fees, if applicable, and shall be deductible from the gross proceeds of the Offering.

The Company was incorporated on December 24, 1974 as Victoria Gold Mining Corporation to engage in the business of exploration of oil, petroleum and other mineral products. The corporate name was changed to Terra Grande Resources, Inc. in March 1995 and to Alsons Consolidated Resources, Inc. in June 1995 to mark the entry of the Alcantara Group. ACR's primary purpose was consequently changed to that of an investment holding company and oil exploration was relegated as a secondary purpose. The Company's ultimate parent company is Alsons Corporation, a company incorporated in the Philippines.

ACR's core businesses, conducted through its various subsidiaries and associates, are grouped into main categories consisting of Energy and Power, Property Development, and Other Investments.

ACR's investment in the Energy and Power business is through four holding firms, namely, Conal Holdings Corporation, Alsing Power Holdings, Inc., Alsons Renewable Energy Corporation, and Alsons Thermal Energy Corporation.

The Company is also engaged in property development through its subsidiaries, Alsons Land Corporation and Kamanga Agro-Industrial Economic Development Corporation.

Declaration of dividends is subject to approval by the Board of Directors. Management continuously endeavors to increase ACR's share value through new projects and expansion programs while at the same time provide yearly dividends to its shareholders. On June 8, 2011, the Board of Directors adopted a dividend policy of annually declaring dividends from 20% of the previous year's un-appropriated retained earnings. See "Dividends" on page 81.

Unless otherwise stated, all information contained in this Prospectus has been supplied by the Company. The Company, through its Board, having made all reasonable inquiries, accepts full responsibility for the information contained in this Prospectus and confirms that this Prospectus contains all material information with regard to the Company, its business and operations and the CPs, which as of the date of this Prospectus is material in the context of the Offer; that, to the best of its knowledge and belief as of the date hereof, the information contained in this Prospectus are true and correct and is not misleading in any material respect; that the opinions and intentions expressed herein are honestly held; and, that there are no other facts, the omission of which makes this Prospectus, as a whole or in part, misleading in any material respect. The delivery of this Prospectus shall not, under any circumstances, create any implication that the information contained herein is correct as of any time subsequent to the date hereof.

Neither the delivery of this Prospectus nor any sale made pursuant to the Offer shall, under any circumstance, create any implication that the information contained or referred to in this Prospectus is accurate as of any time subsequent to the date hereof. The Joint Issue Managers, Joint Lead Underwriters and Joint Bookrunners do not make any representation or warranty, expressed or implied, as to the accuracy or completeness of the information contained in this Prospectus. To the fullest extent permitted by law, none of the Joint Issue Managers, Joint Lead Underwriters and Joint Bookrunners accept any responsibility for the contents of this Prospectus or for any other statement, made or purported to be made by the Joint Issue Managers, Joint Lead Underwriters and Joint Bookrunners or on its behalf in connection with the Issuer or the offering and issue of the Bonds. Each Joint Issue Manager, Joint Lead Underwriter and Joint Bookrunner accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Prospectus or any such statement.

Market data and certain industry information used throughout this Prospectus were obtained from internal surveys, market research, publicly available information and industry publications. Industry publications generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. Similarly, internal surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified and neither the Company nor the Issue Manager, Lead Underwriter and Bookrunner makes any representation as to the accuracy and completeness of such information.

In making an investment decision, applicants are advised to carefully consider all the information contained in this Prospectus, including the following key points characterizing potential risks in an investment in the CPs:

#### **Risks relating to the Company and its business**

- Risk on Foreign Exchange Rate Fluctuations
- Interest Rate Risks
- Liquidity Risks
- Credit Risks
- Risks relating to project cost and completion

- Risk on malfunctions and failures to operate
- Risk of insufficient fund to finance the project
- Risk on failure in operations of the Power plants
- Risk on assurance of successful implementation of business plans and strategies
- Reputational Risk of Directors and Officers of the Company
- Risk on foreign ownership limitations
- Regulatory Risks
- Competitive Risk
- Risk on Stranded Assets

#### **Risks Relating to the Philippines**

- Slowdown in the Philippine economy
- Political or social instability
- Natural catastrophe and calamity
- Risk relating to the Ukraine-Russia Conflict
- Corona Virus Disease 2019 (COVID-19) Pandemic

#### **Risks Relating to the Commercial Papers**

- Liquidity Risk – the Philippine securities markets are substantially smaller, less liquid and more concentrated than the major securities markets
- Price Risk – the CPs' market value moves (either up or down) depending on the movements in interest rates
- Retention of Ratings Risk – there is no assurance that the rating of the CPs will be retained throughout the life of the CPs

For a more detailed discussion on the risks in investing, see section on “*Risk Factors*” beginning on page 21 of this Prospectus, which, while not intended to be an exhaustive enumeration of all risks, must be considered in connection with a purchase of the CPs.

This Prospectus includes forward-looking statements. The Company has based these forward-looking statements largely on its current expectation and projections about future events and financial trends affecting its business and operations. Words including, but not limited to “believe”, “may”, “will”, “estimates”, “continues”, “anticipates”, “intends”, “expects” and similar words are intended to identify forward-looking statements. In light of the risks and uncertainties associated with forward-looking statements, investors should be aware that the forward-looking events and circumstances in this Prospectus may or may not occur. The Company’s actual results could differ significantly from those anticipated in the Company’s forward-looking statements.

The contents of this Prospectus are not to be considered as legal, business or tax advice. Each prospective purchaser of the CPs receiving a copy of this Prospectus acknowledges that he has not relied on the Issue Manager, Lead Underwriter and Bookrunner or Selling Agents, as applicable, in his investigation of the accuracy of such information or his investment decision. Prospective purchasers should consult their own counsel, accountants or other advisors as to legal, tax, business, financial and related aspects of a purchase of the CPs.

The laws of certain jurisdictions may restrict the distribution of this Prospectus and the offer and sale of the CPs. Persons into whose possession this Prospectus or any of the CPs come must inform themselves about, and observe any such restrictions. Neither the Company, the Issue Manager, Lead Underwriter and Bookrunner and the Selling Agents, if any, nor any of its or their respective representatives are making any representation to any prospective purchaser of the CPs of the legality of any investment in the CPs by such prospective purchaser under applicable legal investment or similar laws or regulations.

The Company is organized under the laws of the Republic of the Philippines. Its principal office is located at Alsons Building, 2286 Chino Roces Avenue, Makati City 1231, Philippines, with telephone number +63 2 8982 3000. Any inquiry regarding this Prospectus should be forwarded to the Company.

**A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION BUT HAS NOT YET BEEN DECLARED EFFECTIVE. NO OFFER TO BUY THE SECURITIES CAN BE ACCEPTED AND NO PART OF THE PURCHASE PRICE CAN BE ACCEPTED OR RECEIVED UNTIL THE REGISTRATION STATEMENT HAS BECOME EFFECTIVE, AND ANY SUCH OFFER MAYBE WITHDRAWN OR REVOKED, WITHOUT OBLIGATION OR COMMITMENT OF ANY KIND, AT ANYTIME PRIOR TO NOTICE OF ITS ACCEPTANCE GIVEN AFTER THE EFFECTIVE DATE. AN INDICATION OF INTEREST IN RESPONSE HERETO INVOLVES NO OBLIGATION OR COMMITMENT OF ANY KIND. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY.**

**ALSONS CONSOLIDATED RESOURCES, INC.**

By:

  
**PHILIP EDWARD B. SAGUN**  
Deputy Chief Financial Officer

SUBSCRIBED AND SWORN to before me this \_\_\_\_ day of \_\_\_\_\_ 2022 in \_\_\_\_\_, Philippines, affiants exhibiting to me their respective \_\_\_\_\_, issued respectively on \_\_\_\_\_ in \_\_\_\_\_.

Doc. No \_\_\_\_\_;

Page No \_\_\_\_\_;

Book No \_\_\_\_\_;

Series of 2022.

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## DEFINITION OF TERMS

ACES.....	Aces Technical Services Corporation
ACR or Company.....	Alsons Consolidated Resources, Inc.
Alsing.....	Alsing Power Holdings, Inc. one of the four holding firms of Alsons under its Energy and Power business
ADIC or ALDEVINCO.....	Alsons Development and Investment Corporation
Alsons.....	Alsons Consolidated Resources, Inc.
AREC.....	Alsons Renewable Energy Corporation, one of the four holding firms of Alsons under its Energy and Power business
ATEC.....	Alsons Thermal Energy Corporation, one of the four holding firms of Alsons under its Energy and Power business
Banking Day.....	A day (except Saturdays, Sundays and holidays) on which banks in the Philippines are open for business
BIR.....	Bureau of Internal Revenue
BOO.....	“Build-Operate-Own” agreement
BSP.....	Bangko Sentral ng Pilipinas, the central bank of the Philippines
BVAL	Bloomberg Valuation benchmark reference rates as reported in the Bloomberg system
Conal or CHC .....	Conal Holdings Corporation, one of the four holding firms of Alsons under its Energy and Power business
Corporation Code.....	Batas Pambansa Blg. 68, otherwise known as “The Corporation Code of the Philippines” as amended by Republic Act No. 11232, otherwise known as the “Revised Corporation Code of the Philippines”.
CPs.....	The Commercial Papers which are evidence of indebtedness registered with the SEC with maturity of three hundred and sixty-five (365) days or less
CP Holder.....	A purchaser of the CPs
CP Program .....	The Php3,000,000,000 registration which will be issued in one or more tranches

CSP.....	Competitive Selection Process
DENR.....	Philippine Department of Environment and Natural Resources
Directors.....	The members of the Board of Directors of the Company
Eagle Ridge .....	The Eagle Ridge Golf & Residential Estate
ECA.....	Energy Conversion Agreement
EPC.....	Engineering, Procurement and Construction is a form of arrangement where the EPC Contractor is responsible for all the activities from design, procurement, construction to handover to the Owner
ERC.....	Energy Regulatory Commission
First Tranche.....	The first issuance of the Commercial Paper
Financial Advisor	MIB Capital Corporation
Government.....	The Government of the Republic of the Philippines
GRT.....	Gross receipts tax
Issue Date.....	A date at which the CPs or a portion thereof shall be issued by the Issuer, which date shall be set by the Issuer in consultation with the Issue Manager, Lead Underwriter and Bookrunner. For the avoidance of doubt, an Issue Date shall at any time be a date which is within the validity of the SEC Permit to Sell.
Issue Manager.....	SB Capital Investment Corporation
Issuer .....	Alsons Consolidated Resources, Inc.
Kalaong.....	Kalaong Hydro Power Corporation
Listing Date.....	The date at which the CP shall be listed with PDEx
MPC.....	Mapalad Power Corporation
NPC.....	National Power Corporation
O & M.....	Operation and Maintenance
Offer.....	Up to Php1,135,000,000 worth of Commercial Paper pertaining to the First Tranche
Offer Price.....	Discount to face value

Offtake Agreement / Power Supply Agreement/ Power Sales Agreement / PSA.....	A contract between two parties, one which generates electricity (the seller) and one which is looking to purchase electricity (the buyer)
Php or P.....	Philippine Pesos, the lawful currency of the Republic of the Philippines
PDEX.....	Philippine Dealing & Exchange Corp.
PDTC.....	The Philippine Depository and Trust Corporation
PEZA.....	Philippine Economic Zone Authority
PFRS.....	Philippine Financial Reporting Standards
Philratings.....	Philippine Ratings Services Corporation
Prospectus.....	This Prospectus together with all its annexes, appendices and amendments, if any
Sarangani Energy.....	Sarangani Energy Corporation
SEC.....	The Philippine Securities and Exchange Commission
SEC Permit to Sell.....	The Certificate of Permit to Offer Securities for Sale issued by the SEC authorizing the Company to offer for sale and sell the CPs to the public
Siguil.....	Siguil Hydro Power Corporation
Subsequent Issuance.....	Issuances subsequent to the Initial Issuance
SPPC.....	Southern Philippines Power Corporation
SRC.....	Republic Act No. 8799, otherwise known as “The Securities Regulation Code”
SRPI.....	San Ramon Power, Inc.
TDF .....	Term Deposit Facility. The TDF is a key liquidity absorption facility, commonly used by Central Banks for liquidity management. Due to the BSP’s inability to issue its own debt instruments, the TDF will be tasked to withdraw a large part of the structural liquidity from the financial system to bring market rates closer to the BSP policy rate.

TTC.....	Toyota Tsusho Corporation
Lead Underwriter & Book runner.....	SB Capital Investment Corporation
Underwriting Agreement.....	The agreement entered into by and between the Company and the Underwriter, indicating the terms and conditions of the Offer and providing that the Offer shall be fully underwritten by the Underwriter
VAT.....	Value Added Tax
WMPC.....	Western Mindanao Power Corporation

## EXECUTIVE SUMMARY

*The following summary does not purport to be complete and is taken from and qualified in its entirety by the more detailed information including the Company's financial statements and notes relating thereto, appearing elsewhere in this Prospectus. For a discussion of certain matters that should be considered in evaluating any investment in the CPs, see the section entitled "Risk Factors" beginning on page 16 of this Prospectus.*

### OVERVIEW OF THE COMPANY

The Company was incorporated on December 24, 1974 as Victoria Gold Mining Corporation to engage in the business of exploration of oil, petroleum and other mineral products. The corporate name was changed to Terra Grande Resources, Inc. in March 1995 and to Alsons Consolidated Resources, Inc. in June 1995 to mark the entry of the Alcantara Group. ACR's primary purpose was consequently changed to that of an investment holding company and oil exploration was relegated as a secondary purpose. The Alcantara Group owns 79.97% of the outstanding common shares of ACR through Alsons Corporation (41.21%), Alsons Power Holdings Corporation (19.87%) and Alsons Development and Investment Corporation (18.89%).

ACR's core businesses, conducted through its various subsidiaries and associates, are grouped into main categories consisting of Energy and Power, Property Development, and Other Investments.

ACR's investment in the Energy and Power business is through four holding firms, namely, Conal Holdings Corporation, Alsing Power Holdings, Inc., Alsons Renewable Energy Corporation, and Alsons Thermal Energy Corporation.

The Company has four operating power generation subsidiaries, namely, Western Mindanao Power Corporation ("WMPC"), Southern Philippines Power Corporation ("SPPC"), Mapalad Power Corporation ("MPC"), and Sarangani Energy Corporation ("Sarangani Energy"), all of which are located in Mindanao. ACR, through its subsidiaries, is also conducting feasibility studies on renewable energy projects.

WMPC operates a 100-megawatt (MW) diesel-fired electricity generating facility in Zamboanga City as a merchant plant after its 18-year "Build-Operate-Own" (BOO) arrangement with the National Power Corporation (NPC) expired in December 2015. WMPC currently provides power to Zamboanga City thru a power sales agreement (PSA) with Zamboanga City Electrical Cooperative.

SPPC owns a 55 MW diesel-fired electricity generating facility located in Alabel, Sarangani Province, 13 kilometers east of General Santos City. SPPC's 18-year BOO arrangement with NPC expired on April 28, 2016.

MPC rehabilitated the 103MW bunker-fired Iligan Diesel Power Plants (IDPPs) I and II, which Conal acquired from the Iligan City Government and started operating these plants on February 27, 2013. MPC currently functions as a merchant plant and serves various electric cooperatives in Mindanao.

Sarangani Energy's 210MW coal-fired power plants are located in Maasim, Sarangani Province. Its first section of 105MW began commercial operations in April 2016, while its second section of another 105MW or Phase 2 started commercial operations on October 10, 2019.

ACR has also started construction of its first renewable energy project under Siguil Hydro Power Corporation, which will operate a 14.5MW run-of-river electricity generating facility located at the Siguil River basin in Maasim, Sarangani. ACR expects commercial operations to begin in the first half of 2023. The Company likewise began site development and clearing works for SRPI's 105MW coal-fired power plant project, which could supply power to Zamboanga City and other parts of the Zamboanga Peninsula, with commercial operations expected to begin in 2025.

The Company is also engaged in property development through its subsidiaries, Alsons Land Corporation and Kamanga Agro-Industrial Economic Development Corporation.

## **COMPETITIVE STRENGTHS**

The Company believes that its strengths lie in the following:

- In-depth knowledge of the Mindanao region
- Experienced management team
- Proven track record in developing and operating greenfield power projects
- Enhanced competitiveness and sustainable growth
- Focused strategies

Additional information on the Company's Competitive Strengths may be found in the *"The Company"* beginning on page .

## **BUSINESS STRATEGY**

ACR's expansion strategy is driven by the needs of the Mindanao grid and is supported by long-term offtake agreements. The Company will position its diesel plants to perform roles that are not effectively and efficiently served by coal fired power plants. In addition, ACR will develop its pipeline of hydro power projects to round up its generation mix with renewable sources.

ACR's expansion will:

- Allow it to provide a complete power solution to the Mindanao grid
- Mitigate fuel-type specific risks such as volatilities in fuel costs and regulatory concerns linked to certain fuel types
- Enhance competitiveness of ACR in the Mindanao Electricity Market
- Diversify revenue and cash flow source.

## **RISKS OF INVESTING**

Before making an investment decision, investors should carefully consider the risks associated with an investment in the CPs. These risks include:

### **Risks relating to the Company and its business**

- Risk on Foreign Exchange Rate Fluctuations
- Interest Rate Risks

- Liquidity Risks
- Credit Risks
- Risks relating to project cost and completion
- Risk on malfunctions and failures to operate
- Risk of insufficient fund to finance the project
- Risk on failure in operations of the Power plants
- Risk on assurance of successful implementation of business plans and strategies
- Reputational Risk of Directors and Officers of the Company
- Risk on foreign ownership limitations
- Regulatory Risks
- Competitive Risk
- Risk on Stranded Assets

#### **Risks Relating to the Philippines**

- Slowdown in the Philippine economy
- Political or social instability
- The occurrences of natural catastrophe and calamity
- Risk relating to the Ukraine-Russia Conflict
- Corona Virus Disease 2019 (COVID-19) Pandemic

#### **Risks Relating to the Commercial Papers**

- Liquidity Risk – the Philippine securities markets are substantially smaller, less liquid and more concentrated than major securities markets
- Price Risk – the CPs market value moves (either up or down) depending on the movements in interest rates
- Retention of Ratings Risk – there is no assurance that the rating of the CPs will be retained throughout the life of the CPs

For a more detailed discussion on the risks in investing, see section on “*Risk Factors*” beginning on page 16 of this Prospectus, which, while not intended to be an exhaustive enumeration of all risks, must be considered in connection with a purchase of the CPs.

#### **CORPORATE INFORMATION**

The Company’s principal office is located at Alsons Building, 2286 Chino Roces Avenue, Makati City 1231, Philippines with telephone number +632 8982 3000.

## SUMMARY FINANCIAL INFORMATION

*The selected financial information set forth in the following table has been derived from the Company's Interim Financial Statements as of June 30, 2022 and 2021 (with comparative Audited Consolidated Balance sheet as of December 31, 2021). These should be read in conjunction with the financial statements and notes thereto contained in this Prospectus and the section entitled "Management's Discussion and Analysis of Financial Condition" and other financial information included herein.*

*The Company's financial statements were prepared by SyCip Gorres Velayo & Co. (SGV) a member practice of Ernst & Young Global, in accordance with PFRS. The summary financial information set out below does not purport to project the results of operations or financial condition of the Company for any future period or date.*

### Income Statement

CONSOLIDATED INCOME STATEMENT DATA (in Php millions)			
	June 30 (unaudited)		
	2022	2021	2020
Revenues	5,406	4,632	5,286
Cost and Expenses	(4,590)	(3,632)	(3,691)
Other Income/ (Charges)	27	47	63
<b>Income Before Income Tax</b>	<b>789</b>	<b>952</b>	<b>1,532</b>
Provision for (Benefit From) Income Tax	100	81	138
<b>Net Income</b>	<b>689</b>	<b>871</b>	<b>1,394</b>

### Balance Sheet

CONSOLIDATED BALANCE SHEET DATA (in Php millions)		
	June 30, 2022	December 31, 2021
<b>ASSETS</b>		
Current Assets	11,764	11,204
Noncurrent Assets	36,209	36,552
<b>Total Assets</b>	<b>47,973</b>	<b>47,756</b>
<b>LIABILITIES AND EQUITY</b>		
Current Liabilities	10,128	9,530
Noncurrent Liabilities	19,334	20,275
<b>Total Liabilities</b>	<b>29,462</b>	<b>29,804</b>
<b>Total Equity</b>	<b>18,511</b>	<b>17,952</b>
<b>Total Liabilities and Equity</b>	<b>47,973</b>	<b>47,756</b>

## THE OFFER

*The following do not purport to be a complete listing of all the rights, obligations and privileges of the CPs. Some rights, obligations or privileges may be further limited or restricted by other documents and subject to final documentation. Prospective note holders are enjoined to perform their own independent investigation and analysis of the Issuer and the Commercial Papers. Each prospective note holder must rely on its own appraisal of the Issuer and the proposed financing and its own independent verification of the information contained herein and any other investigation it may deem appropriate for the purpose of determining whether to participate in the proposed financing and must not rely solely on any statement or the significance, adequacy or accuracy of any information contained herein. The information and data contained herein are not a substitute for the prospective note holder's independent evaluation and analysis.*

*The following overview should be read as an introduction to, and is qualified in its entirety by reference to, the more detailed information appearing elsewhere in this Prospectus. This overview may not contain all of the information that prospective investors should consider before deciding to invest in the CP. Accordingly, any decision by a prospective investor to invest in the CPs should be based on a consideration of this Prospectus as a whole, which provides the material rights, obligations and privileges of a CP Holder. Should there be any inconsistency between the summary below and the final documentation, the final documentation shall prevail.*

The following are the terms and conditions of the First Tranche:

Issuer	: Alsons Consolidated Resources Inc.
Issue Manager, Lead Underwriter, and Bookrunner	: SB Capital Investment Corporation
Financial Advisor	MIB Capital Corporation
Instrument	: Registered Commercial Paper
Program	: Up to Php 3,000,000,000.00
Issue Size	: ₱1,135,000,000.00 to be issued in one lump sum or multiple tranches, at the determination of the Issuer in consultation with the Issue Manager, Lead Underwriter and Bookrunner.
Use of Proceeds	: Working Capital and other General Corporate Purposes.
Tenor / Initial Issuance	: The tenor of the initial issuance shall be as follows: Series T: One Hundred Eighty-Two (182) days from Issue Date Series U: Three Hundred Sixty-Four (364) days from Issue Date
Denomination	: For Series T: Minimum of Pesos: Five Million (Php5,000,000.00) face value and increments of Pesos: Five Hundred Thousand (Php500,000.00)

	<p>For Series U:</p> <p>Minimum of Pesos: Five Hundred Thousand (Php500,000.00) face value and increments of Pesos: One Hundred Thousand (Php100,000.00)</p>
Issue Price	: Discount to Face Value
Issue Date	: In one or more dates to be set by the Issuer in consultation with the Issue Manager, Lead Underwriter and Bookrunner on a “when and as needed” basis. The target issue date for the Initial Issuance of the First Tranche is Q4 2022. For the avoidance of doubt, an Issue Date shall at any time be any date which is within the validity of the SEC Permit to Sell.
Discount Rate for Initial Issuance	: Benchmark Rate + Spread
Discount Rate for Subsequent Issuance/s	: The discount rate for the subsequent issuance/s shall be set by the issuer in consultation with the underwriter which may be determined based on the corresponding Benchmark Rate plus Spread
Minimum Denomination for Secondary Trading	: Minimum of Pesos: One Hundred Thousand (Php 100,000) face value and increments of Pesos: Ten Thousand (Php 10,000)
Benchmark Rate	<p>: The higher of the three-day average PHP BVAL benchmark rate of the corresponding tenor or the closest tenor of the Term Deposit Facility of the Bangko Sentral ng Pilipinas or its successor benchmark.</p> <p>The corresponding benchmark rates are as follows:</p> <p>Series T: PHP BVAL 6M, or its successor benchmark rate</p> <p>Series U: PHP BVAL 12M, or its successor benchmark rate</p>
Tenor of Subsequent Issuance/s	: The tenor of succeeding issues may range from thirty (30) days up to the maximum tenor allowed by the Securities and Exchange Commission (SEC) under the relevant provisions of the Securities Regulation Code (SRC)
Interest Computation	: The Interest/Discount Rate and Rollover/Discount Rate will be calculated on a true-discount basis
Principal Repayment	<p>: The principal amount of the CPs will be repaid in full at their respective Maturity Dates, unless the investor provides written instruction to rollover the entire amount or a portion thereof.</p> <p>If such principal repayment is due on a day that is not a business day, the principal repayment date shall be made on the</p>

	immediately succeeding business day. No additional interest will be paid in such case.
Status	: The CPs will constitute direct, unconditional, unsubordinated, general and unsecured obligations of the Issuer ranking at least pari passu in all respects and without preference or priority (except for any statutory preference or priority applicable in the winding-up of the Issuer) with all other outstanding unsecured and unsubordinated obligations (contingent or otherwise, present and future of the Issuer.
Form	: The CPs shall be issued scripless and will be maintained in electronic form with the Registrar to be appointed for the purpose
Taxation	: Interest paid on the CPs shall be subject to a 20% final withholding tax.  A CP Holder who is exempt from or is not subject to the aforesaid withholding tax shall be required to submit a tax exemption certificate and other applicable documents.
Registrar	: Philippine Depository & Trust Corp.
Paying Agent	: Philippine Depository & Trust Corp.
Facility Agent	: AB Capital and Investment Corporation – Trust Department  The Facility Agent has no direct relations with the Issuer.
Secondary Trading	: The CPs are intended to be listed at the Philippine Dealing & Exchange Corp. (PDEX) for secondary trading of the CPs and upon such listing, all secondary trading may be coursed through eligible PDEX Trading Participants.
Market Maker	: Security Bank Corporation
Manner of Purchase	: The CPs will be available for sale from the Lead Underwriter and Selling Agents, if any, subject to minimum purchase amount and denomination.
Acceptance / Rejection of the Application	: The Issue Manager, Lead Underwriter, and Bookrunner reserve the right to accept or reject any application for CPs. In case of over-subscription, the Issuer and the Issue Manager, Lead Underwriter and Bookrunner reserve the right to allocate the CPs available to the investors in a manner they deem appropriate.
Delivery of CP	: Delivery of the CPs will be made upon full payment of the Offer Price to the Underwriter and/or Selling Agents

Liabilities	<p>: The Company as the CP issuer is liable and responsible for any and all obligations arising from the sale of the CP as provided under pertinent sections of the Negotiable Instruments Law, the SRC and applicable laws of the Philippines as well as in the Underwriting Agreement and related agreements. In addition, the Issuer is responsible for complying with all reportorial requirements of the SEC in connection with the issuance of the CP.</p>
Credit Rating	<p>: The Issuer has a rating of PRS Aa minus as assigned by PhilRatings effective February 23, 2022.</p> <p>PhilRatings assigned an issuer credit rating of PRS Aa minus (corp.) for Alsons Consolidated Resources, Inc. based on the following considerations:</p> <ul style="list-style-type: none"> <li>i. the establishment of development projects in Mindanao that are supportive of the growth of the region's power industry;</li> <li>ii. the Company's ability to establish joint ventures with strong partners for particular projects;</li> <li>iii. its planned expansion projects which will further diversify its generation mix;</li> <li>iv. its strong profitability, despite the ongoing COVID-19 pandemic;</li> <li>v. the challenges it encountered in securing bilateral contracts for its diesel power plants; and</li> <li>vi. the improving economic situation amid declining COVID-19 cases and increasing vaccination rate.</li> </ul>
Security	<p>: Negative pledge on the Company's existing and future assets, except (i) to secure statutory obligations, (ii) to enable the Company to continue to enter into its usual transactions in the ordinary course of business, (iii) those imposed by law or arising out of pledges or deposits under workmen's compensation laws or other social security or retirement benefits or similar legislation, and (iv) those created for the purpose of paying current taxes, assessments or other governmental charges which are not delinquent or remain payable without any penalty, or the validity of which is contested in good faith by appropriate proceedings upon stay of execution of the enforcement thereof.</p>
Cross Default	<p>: The Company shall be considered to be in default in case the Company fails to pay or defaults in the payment of any installment of the principal or interest relative to, or fails to comply with or to perform, any other material obligation, or commits a breach or violation of any of the material terms, conditions or stipulations, of any agreement, contract or document with any persons to which the Company is a party or privy, whether executed prior to</p>

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or after the date hereof, or under which the Company has agreed to act as guarantor, surety or accommodation party, which, under the terms of such agreement, contract, document, guaranty or suretyship, including any agreement similar or analogous thereto, shall constitute a material default thereunder after allowing for all applicable grace periods. No default will occur under this clause if the aggregate amount the Company fails to pay is less than Php 35 million (or its equivalent in any other currency or currencies)".

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- Other Terms and Conditions :
1. The CPs will not be convertible to any other security or equity of the Issuer.
  2. The Issuer will not set up any sinking fund for the redemption of the CPs.
  3. Substitution of the CP with another type of security will not be permitted.

Other terms and conditions as may be agreed upon among the Issuer, the Issue Manager, Lead Underwriter and Bookrunner.

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## **RISK FACTORS**

### **GENERAL RISK WARNING**

*The price of securities can and does fluctuate, and any individual security may experience upward or downward movements, and may even become valueless. There is an inherent risk that losses may be incurred rather than profit made as a result of buying and selling securities. Past performance is not a guide to future performance.*

*There is an extra risk of losing money when securities are issued by smaller companies. There may be a big difference between the buying price and the selling price of these securities.*

*Investors deal in a range of investments each of which may carry a different level of risk.*

### **PRUDENCE REQUIRED**

*The risk disclosure does not purport to disclose all the risks and other significant aspects of investing in these securities. Investors should undertake independent research and study on the trading of these securities before commencing any trading activity. Investors may request publicly-available information on the CPs and the Company from the SEC and PDEX.*

### **PROFESSIONAL ADVICE**

*An investor should seek professional advice if he or she is uncertain of, or has not understood, any aspect of the securities to invest in or the nature of risks involved in trading of securities, especially high-risk securities.*

### **RISK FACTORS**

*An investment in the CPs described in this Prospectus involves a certain degree of risk. A prospective purchaser of the CPs should carefully consider the following factors, in addition to the other information contained in this Prospectus, in deciding whether to invest in the CPs. This Prospectus contains forward-looking statements that involve risks and uncertainties. ACR adopts what it considers conservative financial and operational controls and policies to manage its business risks. The Company's actual results may differ significantly from the results discussed in this Prospectus. Factors that might cause such differences, thereby making the offering speculative or risky, may be summarized into those that pertain to the business and operations of ACR in particular, and those that pertain to the over-all political, economic, and business environment, in general. These risk factors and the manner by which these risks shall be managed are presented below. The risk factors discussed in this section are of equal importance and are only separated into categories for easy reference.*

*Investors should carefully consider all the information contained in this Prospectus including the risk factors described below, before deciding to invest in the CPs. The Company's business, financial condition and results of operations could be materially adversely affected by any of these risk factors.*

## **RISKS RELATING TO THE COMPANY AND ITS BUSINESS**

*The following discussion is not intended to be a comprehensive description of all applicable risk considerations, and is not in any way meant to disclose all risk considerations or other significant aspects of participation in the CPs. Prospective participants are encouraged to make their own independent legal, financial, and business examination of the Company.*

Through prudent management and cautious investment decisions, ACR constantly strive to minimize risks that can weaken its financial position. However, certain risks are inherent to specific industries and are not within the direct control of the Company.

Some of the risks that the Company and its subsidiaries may be exposed to are the following:

### **1. Risk on Foreign Exchange Rate Fluctuations**

The Company's exposure is primarily associated with fluctuations in the value of the Peso against the U.S Dollar and other foreign currency. The spare parts and insurance of SPPC and WMPC are denominated in U.S. Dollars.

#### *Risk Mitigation:*

The Company keeps a portion of its short-term investments in foreign currency to serve as a hedge in foreign exchange fluctuations.

### **2. Interest Rate Risks**

The Company's interest rate risks management policy centers on reducing overall interest expense and minimizing other costs of borrowing. Changes in market interest rates would have material impact on the Company's interest-bearing obligations, specifically on those with floating interest rates.

#### *Risk Mitigation:*

ACR and its subsidiaries manage their interest rate risks by averaging its debt portfolio and by optimizing the mix of fixed and variable interest rates. Other measures are employed to avert risk include pre-payment of debts and re-financing of loans as the opportunities arise. Moreover, utilization of existing credit facilities has been kept to a minimum.

### **3. Liquidity Risks**

Liquidity risk arises from the possibility that the Company encounter difficulties in raising funds to meet or settle its obligations at a reasonable price. In addition, the Company may be unable to refinance its outstanding debt, and any future financing arrangements entered into by the Company may be less favorable than the current ones.

#### *Risk Mitigation:*

The Company and its subsidiaries carefully manage their liquidity position to be able to finance their working capital, debt service, and capital expenditure requirements. Sufficient levels of cash and short-term money market placements are maintained to meet maturing obligations. Management regularly monitors and forecasts its cash commitments, matches debt payments with cash generated

from the assets being financed, and negotiates with creditors on possible re-financing of existing loans to avail of better terms and conditions.

#### **4. Credit Risks**

Credit risk is the risk that a counterparty will not meet its obligation under a financial instrument or a customer contract, leading to non-collection of earned revenues and financial losses.

*Risk Mitigation:*

ACR and subsidiaries transact only with companies and institutions that are in a sound financial position and have demonstrated good credit standing. The power companies' receivables are from various electric cooperatives and the collection of which has been current and up to-date except for SPPC's long-outstanding receivable from NPC Amounting to Php 123 million. These receivables pertain to the portion of accounts that was disputed by and was decided upon by the Energy Regulation Commission (ERC) on June 3, 2013 in favor of SPPC. Only July 23, 2013, NPC elevated the case to the Court of Appeals (CA).

Receivable balances are monitored regularly and allowance provisions are reviews to ensure limited exposure to bad debts. For further details, refer to *Legal Proceedings*.

#### **5. Risks relating to project cost and completion**

Possibility of cost overrun may happen due to change orders. In addition, the Company may encounter slippage in the project schedule. If any of these happen, the Company may not be able to achieve its financial targets, which are linked to the successful completion of its future and ongoing projects.

*Risk Mitigation:*

The Company is confident that project schedule slippage would be minimized during the construction since the agreed subcontractors are reputable local companies with good track record.

Since possibility of cost overrun may happen due to change in orders, the project team ensures adherence to provisions and scope of work specified in the EPC Contract. Thorough review of terms of reference will be undertaken by the project team to minimize change orders. If there is a change in order, there will be disruptions in the construction. However, since EPC contractors have conducted 3D model and walk through during the pre-construction phase, the team can easily detect and resolve construction issues, thus minimizing delays.

#### **6. Risk on malfunctions and failures to operate**

The Company's financial performance is highly dependent on the successful operation of the power plants of its subsidiaries, which are subject to several operational risks such as plant safety, fire, explosion, mechanical failure, electrical failure and instrumentation and control Failure.

### *Effects and Risk Mitigation:*

- Fire and Explosion:

ACR's power plant areas are exposed to the risk of fire especially its conveying system, transformers and steam turbines. Since fire would disrupt the normal operations of the Company and damage the Company's properties, ACR may encounter financial losses resulting from incidents of fire.

To mitigate this risk, the Company ensures that power plant areas have adequate fire detection and sprinkler system installed. Also, vacuum trucks are used to prevent accumulation of inputs in the conveyor areas. Sufficient spare parts are also maintained to make sure that faulty parts are replaced on time and prevent risk of malfunction, which could result in incidents of fire.

Another risk that the machines and equipment of the power plants are exposed to, particularly the boiler and switchgear, is the risk of explosion. Boiler explosion could happen if too much fuel is fed to the boiler, which then gasifies and causes an explosion. To mitigate this, the Company has a boiler protection system which will trip the plant before such condition forms. Switchgear explosion could happen if there is short circuit in the switchgear. One of the functions of switchgear is protection, which is interruption of short-circuit and overload fault currents while maintaining service to unaffected circuits. Switchgear also provides isolation of circuits from power supplies and a regular thermographic survey is done to all switchgears. Also, all of ACR's power plants are adequately insured to cover the risk of fire.

- Plant safety:

Power plants are much safer than they once were however this does not imply that the plant employees will not encounter hazards. With the Company's proper operation and maintenance procedures this reduces accidents and mitigates their effects. Furthermore, the power plants are strategically located in order to avoid any disturbances and ensure efficient work flow. For example, during Sarangani Phase 2 construction, the construction may pose as a disturbance to the existing operations, ACR manages this risk by proper segregation of components for Sarangani Phase 2. Also, permitting system on common facilities was jointly developed by Project Team and O&M.

- Mechanical Failure:

One of the main causes of disruption in daily operations in a power plant is mechanical failure of plant and equipment. Some of the causes of mechanical failure are the boiler, turbine, major pump or valve, fans, coal conveying system, and raw water supply system and these and the potential consequences of these failures can be crucial. However, with the expert engineering assistance, solution and design system, monitoring system for early indication of possible failure, and daily inspections of the equipment and ensures that there are adequate spare parts.

The boiler and cooling water (CW) chemical dosing systems have redundant dosing pumps thus contracts of chemical supply are in place to always have adequate inventory at site. Moreover, the water/steam system has online analyzers for monitoring the quality 24/7 and a water laboratory with a 365-day coverage. For example, when the lower part of Sarangani Phase 1

boiler was experiencing tube erosion causing two boiler tube leaks/forced outages, the proposed long-term solution/design change was installed allowing the boiler normal operation from annual scheduled outage to the next scheduled outage.

As for turbine failures, these are considered a very rare occurrence on steam turbines. The turbine/generator has an online vibration monitoring system and they have its own protection system. During scheduled outages, inspection of steam turbine (ST) blades will be done.

For the Boiler Feed, Condensate and Cooling Water pumps, an example of this would be Sarangani Phase 1 where it has 2 x 100% capacity. This means that if one pump has mechanical failure, the plant can still operate on 100% capacity. Pumps will have adequate spares (bearings, mechanical seals etc.), and possible repair shops have been identified.

Delays in the operations could also happen when there are mechanical failures and there are no adequate spare parts. To mitigate this, the Company ensures that its supplies and spares are adequate at all times by setting a certain period when the inventory is restocked. The inventory is always monitored and buffers are set in order to give allowance to unexpected requirements.

- **Electrical Failure:**

The objective of electric systems is to guarantee uninterrupted operation of a facility's lighting, process, and environmental systems. Electrical failures may interrupt the Company's processes, and thus could hinder its ability to efficiently run its operations. In the case of ACR's power plants, the areas which are highly exposed to risk of electrical failure include fan motors, feed water, condensate and cooling water pumps, Electrostatic Precipitator (ESP) and switchgear. To mitigate these types of risk the Company has maintenance and conditioning monitoring program for early detection of any electrical fault. If problem arises on ESP transformers / electrical systems, the Company has ESP vendor to inspect the site and rectify the problems.

A sample of a mitigant on electric failure risk would be Sarangani's 6kV, 480V and 220V switchgear. The company makes sure that they are mostly situated at the Main Control Room (MCR) switchgear rooms which are well ventilated, dust free and protected by FM200 system. Furthermore, Sarangani is also conducting regular thermographic inspections of all switchgear systems for early detection of any hot spots and lost connections. During the scheduled annual outages, maintenance will be done, as per Original Equipment Manufacturer (OEM) recommendations and at the same time Sarangani is planning to purchase spare switchgear equipment over the next 3 years.

- **Instrumentation and Control Failure:**

The plant areas which are highly exposed to risk of instrumentation and control failure include the Distributed Control System (DCS) and Programmable Logic Controller (PLC) system. This failure could also disrupt the normal operations of the Company, and thus, ACR mitigates this risk by ensuring that adequate spares for any part of the DCS are available and that there's a dedicated DCS engineer to monitor the system's performance on a daily basis.

Instrument failures and malfunction is the most common cause of plant disturbance where a single instrument failure can cause equipment, system or plant trip. To prevent this, the

company has planned maintenance & calibration program for all the instruments and control valves.

Presented below are the insurance providers of the power plants:

#### Diesel Power Plants

Type	WMPC	MPC
Industrial All Risk	UCPB General Insurance	1. Malayan Insurance Co. Inc. 2. Self-Insured (Mapalad Power Corporation) 3. UCPB General Insurance Co. Inc.
Public Comprehensive Liability/ General Liability	Pioneer Insurance & Surety Corp.	Pioneer Insurance & Surety Corp.
Fuel Stocks	UCPB General Insurance Co., Inc.	1. Cocogen Insurance Inc. 2. New India Assurance Co., Ltd
Sabotage and Terrorism	UCPB General Insurance Co. Inc	UCPB General Insurance Co. Inc

#### Coal Power Plants

Type	Sarangani Energy
Industrial All Risk and Business Interruption	Malayan Insurance Co., Inc.
Political Violence	Cocogen Insurance, Inc.
Comprehensive General Liability	Cocogen Insurance, Inc.
Terminal Operators Liability	Cocogen Insurance, Inc.
Marine Open Cover	Cocogen Insurance, Inc.
Transmission Line	Malayan Insurance Co., Inc.

### **7. Risk of insufficient funds to finance the project**

Loss or Low Revenue and Net Income and inability to collect revenues in a timely manner may affect the Company's ability to finance its ongoing projects.

#### *Risk Mitigation:*

Low revenues and inability to collect in a timely manner may affect the Company's ability to finance its ongoing projects. This is mitigated by the Company's efforts to generate and collect revenues more efficiently. The Company also ensures that their operational risks are minimized to keep their production steady.

In addition, ACR's shareholders have enough funds and bank lines to fund possible shortages to finance the projects.

## **8. Risk on failure in operations of the Power plants**

Failures in the operation of the power plants may impact the Company's financial performance as it may disrupt operations and may therefore entail loss in revenues.

### *Risk Mitigation:*

To mitigate such risk, the Company ensures adherence to its business plans and strategies, which are further discussed in the succeeding risk item. Also, if there's any disruption in any of the power plants, the other power plants can support its operations. This prevents failure in operations, and therefore, minimizes exposure to such risk.

## **9. Risk on assurance of successful implementation of business plans and strategies**

The Company may be exposed to various operational and financial risks that could hinder the implementation of its business plans and strategies. The inability to achieve its business plans and strategies may result in a delay in the operations of the Company.

### *Risk Mitigation:*

#### Focused Strategy

ACR's expansion plans and growth aspirations are founded on a set of focused strategies that will enable it to manage the risks and challenges associated with the power generation business.

As in the past, the Company's expansion strategy is firmly anchored on the needs of the Mindanao Grid and is supported by offtake agreements to ensure the long-term sustainability of its business. Furthermore, ACR's power plants are strategically positioned to serve the key load centers of Sarangani, Zamboanga and Iligan.

ACR anticipates a surplus of baseload capacity and has managed this risk by virtually fully contracting its capacity. Any uncontracted capacity will be sold to the Mindanao WESM once it starts operating. By being adequately contracted, ACR will be less affected by the impending oversupply in the Mindanao grid.

ACR's diesel plants will also be positioned to perform roles that are not effectively and efficiently served by coal fired power plants such as service intermediate and peaking capacities, as well as provide ancillary services.

To round up its strategy, ACR has also embarked on a renewable energy expansion program that would involve the construction of several hydropower projects.

#### Development of greenfield power projects

ACR's growth story hinges on the successful construction and operation of greenfield power projects. The development of greenfield power projects involves substantial risks that could result in delays, cost overruns, or construction not being up to original plans or specifications. Such risks include the inability to secure adequate financing, inability to negotiate acceptable offtake agreements, as well as unforeseen engineering and environmental problems, among others.

Any such delays, cost overruns, or construction deviations from original plans could have a material adverse effect on the business, financial condition, results of operation and future growth prospects of ACR.

Aside from its own developed expertise and proven success in developing greenfield power projects, project risks are mitigated by the presence of committed project sponsors and partners, project contracts that have been crafted in accordance with international project finance standards, strong project management support from owner's engineer, power supply agreements and experienced O&M service providers.

#### **10. Reputational Risk of Directors and Officers of the Company**

Any reputational damage involving ACR's Directors and Officers may affect the Company's performance. Reputational issues may result in loss of customers' and creditors' confidence, and since the Company's ability to continue operating efficiently depends on its relationship with its customers and creditors, such issues could result in financial losses.

*Risk Mitigation:*

Any reputational damage involving ACR's Directors and Officers may affect the Company's performance. This is mitigated by the fact that the founders have been in the business for several years with unblemished record, and that the independent directors and officers are selected through a stringent vetting process.

#### **11. Risk on foreign ownership limitations**

The Company may be exposed to risk on foreign ownership limitations, which is set at 40% as the Company owns land directly and uses natural resources indirectly via its subsidiaries. This means that foreigners cannot own more than 40% of the Company. Should the Company hit the limit, it could no longer accept additional foreign investments. ACR's current foreign ownership is at 0.86%, a relatively small percentage compared to the 40% limit as of June 30, 2022.

*Risk Mitigation:*

ACR's foreign ownership is currently at 0.86%. The Company is constantly monitoring the ownership of ACR shares, and it has no prospects of increasing foreign ownership.

#### **12. Regulatory Risks**

The Company's business and financial condition may be adversely affected by amendments in the Electric Power Industry Reform Act, and its Implementing Rules and Regulations. Continued compliance with, and any amendments in, regulatory, safety, health and environmental laws and regulations may have an adverse impact on the Company's operating costs.

In addition, Licenses, permits, and operating agreements necessary for the Company's operations may not be acquired, sustained, renewed or extended.

ACR's operating subsidiaries are required to comply with environmental regulations. The failure of these subsidiaries to comply with the relevant environmental regulations could result in

administrative, civil and criminal proceedings initiated by the Government, as well as civil proceedings by environmental groups and other individuals, which could result in substantial fines and penalties against the Company, as well as orders that could limit or halt its operations.

There can be no assurance that the Company will not become involved in litigation or other proceedings, or be held responsible in any such future litigation or proceedings relating to safety, health and environmental matters in the future, and the costs of which could be material and could materially and adversely affect the Company's cash flow, results of operations and financial condition.

*Risk Mitigation:*

To mitigate regulatory risks, ACR exerts proactive effort to make sure all existing and upcoming changes in regulations are met. The Company ensures their continued compliance with, and any amendments in, regulatory, safety, health and environmental laws and regulations, regardless of the operating costs entailed by it.

Environmental, health and safety policies are an integral part of ACR's power generation plants. The existing diesel power plants conduct regular monitoring of waste water, source emission, ambient air, noise, aquatic biota, ground and surface water, community health, hazardous waste, resource usage and conservation, solid waste generation and disposal and legal requirements compliance. It is noteworthy that WMPC is a recipient of recognitions and awards for being one of the safest workplaces in the region. The power plant is monitored and verified by the Multi-Partite Monitoring Team which is composed of the stakeholders including DENR, DOST, relevant local government units, NGOs and members of academia.

For the Sarangani Energy Corporation coal plants, technology mitigates most pollutants, except carbon emission. To mitigate the effects of carbon emission, ACR instituted a carbon sink program, where ACR has committed to plant 1.8 million seedlings over 3,750 hectares of land. To date, ACR has planted 1.17 million seedlings covering 2,600 hectares of land. ACR is the only power generation company that has an extensive forest-based carbon mitigation program

### **13. Competitive Risk**

The Company is confronted by increased competition in the power industry, including those resulting from legislative, regulatory, and industry restructuring efforts.

The Government has sought to implement measures designed to enhance the competitive landscape of the power market, particularly for the unregulated sectors of the industry. These measures include the privatization of NPC-owned and controlled power generation assets, the establishment of the WESM and the Retail Competition and Open Access (RCOA). With increased competition, ACR could also come under pressure to review or renegotiate the terms of offtake agreements with customers, which may adversely affect ACR's financial performance and results of operations. To the extent that distribution utilities or industrial off-takers decide to purchase power from other generation companies instead of purchasing from ACR, the ability of ACR to generate the required revenues would be adversely affected.

*Risk Mitigation:*

The Company is confronted by increased competition in the power industry, which this could result in an uncertain revenue stream and a possible reduction in market share. To combat such risk, ACR focused on strong marketing and finding a niche in the market.

ACR ensured that its power capacities are contracted under long-term power supply agreements with various customers in the Mindanao Grid. This insulates ACR from the effects of a potential oversupply situation. Furthermore, ACR's strategy of locating its plants within the service areas of their major electric distribution company customers also improves their competitiveness as this could result in lower transmission costs for the distribution utilities.

The Company believes that its experience in developing, building, financing, and operating generating plants, its familiarity with the region, and the location of its current and future generation facilities are strong competitive advantages that mitigate threats from increased competition.

#### **14. Risk on Stranded Assets**

Stranded assets are fuel supply and generation resources which once had value or generates income but has suffered from premature write-downs or devaluations. This is due to several factors such as new regulations, falling cost of renewables, litigations, transformation and innovation. These factors may pose risk to firms and affect the company. Uncertainties in the market, adoption of new health and environmental laws, future laws may also affect the Company and may restrict operations and refinancing to the Company's power plant and certain capital expenditures or operating expenditure may be difficult to fully recover. The Company may be exposed to stranded asset risks wherein assets lose their value as a result of the transition to cheaper and cleaner sources of power.

##### *Risk Mitigation:*

ACR has embarked on a renewable energy expansion program that would involve the construction of several hydropower projects. The Company is also considering putting up a solar farm as well. This solar plant would have a capacity of at least 50 MW, and is estimated to cost less than \$750 per kW. ACR's plan is to reach a level of balanced generation mix where it can serve the complete power requirements of its customers (i.e. baseload, intermediate, peaking, back-up as well as ancillary). Apart from enhancing its market position, this strategy, will in turn diversify its revenue mix, as well as minimize potential risks that may arise.

ACR's diesel plants will also be positioned to perform roles that are not effectively and efficiently served by coal fired power plants such as service intermediate and peaking capacities, as well as provide ancillary services. ACR continues to explore opportunities to relocate the diesel generating assets to Visayas Region. It is expected to have the relocated assets operational by January 2023 and December 2023 respectively.

## **RISK RELATING TO THE PHILIPPINES**

### ***A slowdown in the Philippine economy could adversely affect the Company.***

Results of operations of the Company have generally been influenced, and will continue to be influenced by the performance of the Philippine economy. Consequently, the Company's income and results of operations depend, to a significant extent, on the performance of the Philippine economy.

In the past, the Philippines has experienced periods of slow or negative growth, high inflation, significant devaluation of the Philippine Peso and debt restructuring, and has been significantly affected by economic volatilities in the Asia-Pacific region. The Company cannot assure prospective investors that one or more of these factors will not negatively impact Philippine consumers' purchasing power, which could materially and adversely affect the Company's financial condition and results of operations.

In addition, global financial, credit and currency markets have, since the second half of 2007, experienced, and may continue to experience, significant dislocations and liquidity disruptions. There is significant uncertainty as to the potential for a continued downturn in the U.S. and the global economy, which would be likely to cause economic conditions in the Philippines to deteriorate.

A slowdown in the Philippine economy may adversely affect consumer sentiment and lead to a reduction in demand for the Company's products. There is also no assurance that current or future Government administrations will adopt economic policies conducive to sustaining economic growth.

### ***Political or social instability could adversely affect the financial results of the Company.***

The Philippines has experienced political and military instability. In the past decade, political instability has been observed headlined by impeachment proceedings against former presidents Joseph Estrada and Gloria Macapagal-Arroyo, and public and military protests arising from alleged misconduct by previous administrations. There is no assurance that acts of election-related violence will not occur in the future and such events have the potential to negatively impact the Philippine economy. An unstable political environment, whether due to the imposition of emergency executive rule, martial law or widespread popular demonstrations or rioting, could negatively affect the general economic conditions and operating environment in the Philippines, which could have a material adverse effect on the Company's business, financial condition and results of operations.

### ***The occurrence of natural catastrophes may materially disrupt the Company's operations.***

The Philippines has experienced a number of major natural catastrophes over the years, including droughts, typhoons, volcanic eruptions and earthquakes, which may materially disrupt and adversely affect the business operations of the Company. While the Company maintains a comprehensive business insurance against natural catastrophes, there can be no assurance that it will be adequately compensated for all damages and economic losses resulting from natural catastrophes.

### ***Risk relating to the Ukraine-Russia Conflict***

On February 24, 2022, Russia launched an invasion of Ukraine, one of its neighbors to the southwest. The warfare is reportedly the largest conventional warfare operation in Europe since World War II. The recent invasion marked a major escalation of the tension between the two countries which began in 2014. This has led to higher fuel prices globally. Russia accounts for 12% of global oil and 24% of natural gas production. As

such, the war between Russia and Ukraine can result in major oil supply disruption globally. While the Philippines does not directly buy oil directly from Russia, its trading partners such as China, South Korea, and Japan purchase oil from the latter. However, despite this, the increasing prices of fuel has a minimal direct impact on the Company as the costs related to such will be passed on to customers. The same is true for any increase in coal prices globally, as a result of the developments between Russia and Ukraine.

### ***Corona Virus Disease 2019 (COVID-19) Pandemic:***

As of September 19, 2022, the Department of Health (DOH) has recorded 3,119 new confirmed COVID-19 cases bringing the country's total COVID-19 caseload to 3,923,727. Of these, 27,686 cases are active or currently sick. The death toll is now at 62,587.

National Capital Region (NCR) and over 60 other areas remain under Alert Level 1 according to the Inter-Agency Task Force (IATF) for the Management of Emerging Infectious Diseases.

On March 8, 2020, President Rodrigo R. Duterte, recognizing that COVID-19 constitutes a threat to national security and prompting a whole-of-government approach in addressing the outbreak, declared a state of public health emergency throughout the entire Philippines through Proclamation 922.

On March 16, 2020, to prevent the sharp rise of COVID-19 cases in the country, the President placed the entire Luzon under Enhanced Community Quarantine (ECQ) until April 14, 2020. On April 7, 2020, upon the recommendation of the Inter-Agency Task Force on Emerging Infectious Diseases (IATF EID), the President extended the ECQ until April 30, 2020.

The general community quarantine (GCQ) was introduced on May 1, 2020 and is generally less stringent than ECQ. The Philippines has extended community quarantine restrictions of varying levels nationwide.

The economic narrative on the COVID-19 outbreak revolves around two causal mechanisms: the impact of the fear factor on behavior, reflected in a decline in demand for travel-related services, discretionary consumption, and the production and regional supply chains. Our power plants continue to deliver the required uninterrupted energy supply. As such, the impact on the business will be minimal.

The ECQ that has been declared as a result of the pandemic resulted in a drop in peak demand for power in Mindanao of between 20% and 25% as commercial customers, mainly made of shopping malls and similar establishments stopped operating. Industrial demand however is less affected and we expect this to continue driving demand for our output. Most of the Company's customers have industrial loads that are producing basic commodities that are essential and are in fact counter-cyclical in nature. These include canneries of fish and fruit products and other producers of food products. Demand for and consumption of power among the Company's customers dropped slightly to just below the 2019 levels. The revenues were not adversely affected given that their respective collection efficiencies were maintained. The Company's projection assumes that the demand for power will recover within 2021.

To help soften the impact of the ECQ, the government also ordered distribution utilities, power generation companies, fuel suppliers, and other entities involved in the power supply chain to give a 30-day payment extension of all bills falling due within the ECQ. This deferred amount will be repaid in four (4) equal monthly installments or as negotiated with DU. As for suppliers, the company has not encountered any problems with them.

In light of COVID-19, an Emergency Task Force on COVID-19 was formed to ensure there will be continuity of work in case of lockdown. A selected group of teams is working to handle issues on employees' health and safety, communications, technology support and legal compliance. The team will regularly update the guidelines and ensure the adherence to the same.

#### Limited workforce

- Work from Home (WFH) Scheme for head office and mix of WFH and On Site on a 14-day rotation for plant personnel
- Manpower support through advance salary and 13<sup>th</sup> month pay, food and transportation allowance

The following illustrates how the company is dealing with the current situation.

#### O&M Personnel

##### How to Sustain and Maintain COVID free O&M personnel

1. Continue close monitoring of personnel health/condition
2. Maintain provision of PPEs and preventive medical supplies to all personnel
3. Strict adherence to guidelines and protocols for COVID-19 prevention.
4. Continue provision of meals and accommodation for personnel working straight 15-days-duty and 15-days-off.

##### Possible/In case of infection of some O&M personnel.

1. Identify potential replacements and start immediately training/cross-training or developmental assignment.
2. Simulate/draft a type of shifting schedule of operation at reduced number of personnel and or groups.

##### Inventory of operating supplies and consumables

1. Fuel inventory – good for 3 months
2. Chemicals, Lube Oil, other supplies – good for 1.5 months

## **MITIGATION OF RISKS RELATED TO THE COUNTRY**

In general, the Company believes that the risk factors discussed herein are mitigated by its competitive strengths and business strategies, as well as its strong corporate governance structure and its seasoned management team. The Company continuously monitors and studies its existing and probable exposure to various risk in order to be able to mitigate these risks more proactively.

## **RISKS RELATING TO THE COMMERCIAL PAPERS**

### ***Liquidity Risk***

The Philippine securities markets are substantially smaller, less liquid and more concentrated than the major securities markets. The Company cannot guarantee that the market for the CPs will always be active or liquid. Even if the CPs are listed in the PDEx, trading in securities such as the CPs may be subject to extreme volatility at times, in response to fluctuating interest rates, developments in local and international capital markets and the overall market for debt securities among other factors. There is no assurance that the CPs may be easily disposed of at prices and volumes and at instances best deemed appropriate by their holders.

***Price Risk***

The CP's market value may move (either up or down) depending on the change in interest rates in the market. The CPs when sold in the secondary market may be worth more if interest rates drop. Conversely, if the prevailing interest rates rise, the CPs may be worth less when sold in the secondary market. In such instance, an investor faces possible loss if he decides to sell.

***Retention of Ratings Risk***

There is no assurance that the rating of the Issuer will be retained throughout the life of the CPs. The rating is not a recommendation to buy, sell, or hold securities and may be subject to revision, suspension, or withdrawal at any time by the assigning rating organization.

**MITIGATION OF RISKS RELATING TO THE COMMERCIAL PAPERS**

In general, the Company believes that the risk factors discussed herein are mitigated by its competitive strengths and business strategies.

## USE OF PROCEEDS

The Company's net proceeds from the Offer is expected to be approximately Php 1,073,739,498.38 after deducting the applicable fees and expenses.

Expenses related to the Offer, all of which will be for the account of the Company, are broken down as follows:

### Estimated Net Proceeds from the CP Issuance

<b>Sample Computation</b>	
Face Value of the Offer	₱ 1,135,000,000.00
Discount (indicative based on 3.9091% and 364 days assuming true discount computation)	(43,155,528.80)
Gross Proceeds	₱ 1,091,844,471.20
Less:	
SEC Filing and Legal Research Fees	(1,325,625.00)
Documentary Stamp Tax (maximum assuming P500 million issued for one year)	(8,489,178.08)
Underwriting and Selling Fees (maximum)	(4,527,561.64)
Issue Management Fee	(800,000.00)
Financial Advisory Fee	(1,200,000.00)
Transaction Counsel Fees	(400,000)
Independent Counsel Fees	(200,000)
Facility Agency Fees**	(100,000)
Philratings credit rating report fees	(832,608.00)
PDTC Registry fees*/**	(150,000.00)
PDEX listing maintenance fees*/**	(50,000.00)
Estimated Costs of Printing and Publication	(30,000.00)
Total expenses	(18,104,972.72)
<b>Net Proceeds</b>	<b>₱ 1,073,739,498.38</b>

\* PDTC and PDEX fees are estimates

\*\* The fees are payable annually for as long as CPs under the program remain outstanding

In the event that the actual expenses relating to the Offer differ from the above estimates, the actual net proceeds to the Company from the Offer may be higher or lower than the expected net proceeds set forth above. Any increase or decrease in the net proceeds to the Company shall be addressed by making a corresponding increase or decrease, as the case may be, to the Company's provision for working capital requirements.

The Company intends to use the proceeds from the Offer for working capital and general corporate purposes. Specifically, to fund the redemption of ACR's Commercial Papers maturing in November and December 2022 and to settle its maturing short-term obligations in the 4<sup>th</sup> quarter of 2022.

Presented below is a list of the Company's Commercial Papers maturing in 2022.

#### Maturing Commercial Papers of ACR

MATURITY DATE	FUNDER	TENOR	MATURITY VALUE (Php)
November 11, 2022	Various Funders	364 days	600,000,000.00
December 26, 2022	Various Funders	182 days	265,000,000.00
<b>Total</b>			<b>865,000,000.00</b>

#### Payout of Short-Term Obligations of ACR

Presented below is a list of the Company's short-term loans maturing in the third and 4th quarter of 2022.

FUNDER	MATURITY DATE	RATE	PRINCIPAL VALUE
Other Non-FI Funder	11/28/2022	4	14,956,997.80
PBCOM TRUST	12/06/2022	4.25	190,000,000.00
<b>Total</b>			<b>204,956,997.80</b>

Other Non-FI Funders refer to institutions who lent to the Company via promissory notes. These companies are not financial institutions.

The above-mentioned short-term obligations were used by the Company to fund for Siguil Hydro Power Corporation ("Siguil") projects and Sindangan Zambo-River Power Corporation ("Siayan") projects, through its subsidiary, Alsons Renewable Energy Corporation ("AREC"). ACR owns 80.1% of AREC, and the remaining 19.9% interest is owned by ACIL Corporation. Portion of the short-term obligation was given to the projects as needed. The cash flows were directly issued to Siayan and Siguil and booked as cash advances from related party. The Company expects to receive the fund back from Siguil upon issuance of the Certificate of Compliance for FIT from the ERC and as soon as the long-term financing is secured for Siayan.

These short-term loans were infused to Siayan (for developmental cost) and Siguil projects as advances in tranches starting 2020 and 2019, respectively, however disbursement of funds was on an as needed basis, which until now is being paid, whenever needed, and until project financing is obtained by the respective projects. As of today, total amount infused to the projects is Php 2.55 billion for Siguil and Php 76 million for Siayan.

AREC, which was organized on September 18, 2014, is ACR's vehicle for developing renewable energy (RE) projects. AREC currently holds 100% equity in the following subsidiaries: Siguil Hydro Power Corporation and Sindangan Zambo-River Power Corporation. ACR has started construction of its first renewable energy project under Siguil, which will operate a 14.5MW run-of-river electricity generating facility located at the Siguil basin in Maasim, Sarangani. The construction phase of this project is in full swing and the Company expects commercial operation to begin in the first half 2023.

Siayan is a combined 9MW hydro power project and 25MW solar power project located mainly in the Municipality of Siayan, Province of Zamboanga Del Norte and Municipality of Dumingag, Zamboanga del Norte, and is expected to augment power supply in the province of Zamboanga Del Norte once completed. Siayan's total project cost is estimated at Php 1.7 billion. Siayan is still under-development and is expected to begin its commercial operations in 2025. The lower cost of Siayan is due to the design itself and due to the shorter conveyance system. The Siguil and Siayan projects are to be financed through bank financing.

The CP allocation below represents the Company's best estimate of the use of proceeds as this time. While the CP proceeds have not been deployed and for the remaining balance, the Company intends to invest the funds from the Issuance in short-term marketable securities until the disbursement schedule is finalized.

<b>Summary</b>	
<b>Proceeds from CP Issuance</b>	<b>Php 1,073,739,498.38</b>
Maturing Commercial Paper	Php 865,000,000.00
Short-term obligation	Php 204,956,997.80
<b>Total Obligations</b>	<b>Php 1,069,956,997.80</b>

ACR's primary sources of income are dividends declared by its operating subsidiaries. ACR and its subsidiaries follow a dividend policy of annually declaring dividends from 20% of the previous year's unappropriated retained earnings. For a more detailed discussion on the Dividends, please see page 76.

The Company's issuance of CP is also opportunistic. Access in the CP will depend on the interest environment during the time of issuance.

No portion of the proceeds will be used to acquire major assets or finance the acquisition of other business nor will the proceeds be used to reimburse any officer, director, employee or shareholder for service rendered, assets previously transferred, and money loaned or advanced or otherwise. In addition, no portion of the proceeds will be used by the Company's subsidiaries.

The Issue Manager, Lead Underwriter, and Bookrunner shall not receive any amount from the proceeds other than the underwriting, issue management and selling fees.

The foregoing discussion represents a best estimate of the use of proceeds of the Offer based on the Company's current plans and anticipated expenditures. In the event that there is any change in the Company's disbursement plan, including force majeure, the Company will carefully evaluate the situation and may reallocate the proceeds and/or hold such funds on short term deposit whichever is better for the Company's and its shareholders' interest taken as whole. In such event, the Company will issue an announcement if there is any material change in the above proposed use of proceeds.

In the event of any significant deviation, material adjustment or reallocation in the planned use of proceeds, the Company will secure the approval of its Board of Directors for such deviation, adjustment or reallocation and promptly make the appropriate disclosures to the SEC and the PDEx.

## DETERMINATION OF THE OFFER PRICE

The CPs shall be issued at a discount to face value.

Below is an illustration of the computation of the Offer Price for an Issuance:

### Offer Price Computation

	Series T	Series U
Tenor (in Days)	182	364
Discount Rate	3.5659%	3.9091%
<b>Cost Breakdown</b>		
Face Value	5,000,000.00	500,000.00
Discount	(88,541.83)	(19,011.25)
Tax on Discount	17,708.37	3,802.25
Cost	4,911,458.17	480,988.75
Offer Price	98.23%	96.20%

The rates indicated are for illustrative purposes only and are subject to change once the discount rates are finalized. They were computed based on the discount rate formula, which sets the base rate as a) the three-day average BVAL Reference Rate of the corresponding tenor; or b) the weighted average accepted yield of the closest tenor of the Term Deposit Facility of the BSP whichever is higher as of the pricing date.

## **PLAN OF DISTRIBUTION**

The Company plans to issue the CPs in one lump sum or several tranches, through the designated Issue Manager, Lead Underwriter and Bookrunner and selling agents, if any. The first tranche of the CPs shall be issued in the 4th quarter of 2022.

### **ISSUE MANAGER/UNDERWRITER AND UNDERWRITING OBLIGATION**

The Company has engaged SB Capital Investment Corporation ("SB Capital") as its Underwriter pursuant to an Underwriting Agreement (the "Underwriting Agreement"). The Underwriter has agreed to act as the Underwriter for the Offer and as such, distribute and sell the CPs at the Offer Price, and has committed to underwrite the first tranche of the CPs worth up to Php1,135,000,000 on a firm basis. There is no breakdown of Commercial Papers for particular series for distribution. Any unsold portion would be sold at a future date, since the issuance is under a three-year registration.

The Underwriter is duly licensed by the SEC to engage in distribution of securities to the public. The Underwriter may, from time to time, engage in transactions with and perform services in the ordinary course of business with the Company and its related companies. There is no appointed syndicate of sub-underwriters.

SB Capital Investment Corporation is a Philippine corporation organized in October 1995 as a wholly-owned subsidiary of Security Bank Corporation. It obtained its license to operate as an investment house in 1996 and is licensed by the SEC to engage in underwriting and distribution of securities to the public. SB Capital Investment Corporation provides a wide range of investment banking services including underwriting of debt and equity securities, project finance, loan syndications, mergers and acquisitions and other corporate/financial advisory services. SB Capital Investment Corporation is also involved in equity trading through its wholly-owned stock brokerage subsidiary, SB Equities, Inc. Its senior executives have extensive experience in the capital markets and were involved in a lead role in a substantial number of major debt and equity issues. As of December 31, 2021, its total assets amounted to ₱1.46 billion and its capital base amounted to ₱1.43 billion.

The Underwriter has no direct relations with the Company in terms of ownership. The Underwriter has no right to designate or nominate any member of the Board of the Company.

The Underwriter has no contract or other arrangement with the Issuer by which the former may put back to the issuer any unsold securities of the offering.

### **SALE AND DISTRIBUTION**

The distribution and sale of the CPs shall be undertaken by the Underwriter and Selling Agents, as applicable, who shall sell and distribute the CPs to third party buyers/investors. Nothing herein shall limit the rights of the Underwriter and each Selling Agent as applicable, from purchasing the CPs for its own account. There are no persons to whom the CPs are allocated or designated. No CPs are designated to be sold to specified persons and shall be offered to the public at large and without preference. The allocation to the investors will depend on their orders which will be subject to scaling done in case of oversubscription.

Unless otherwise terminated, the engagement of the Issue Manager, Lead Underwriter and Bookrunner and Selling Agents shall subsist so long as the SEC Permit to Sell remains valid.

For the First Tranche, the Company has not appointed any Selling Agent.

#### **FEES AND COMMISSIONS**

The Company will pay the Underwriter a fee of 0.40% per annum on the aggregate face value of the CPs issued, which is inclusive of the underwriting and the selling agency fees, as applicable. The fees shall be deductible from the gross proceeds of the Offer on Issue Date.

The Company shall pay the Issue Manager a flat fee of Peso: Eight Hundred Thousand (Php 800,000.00) and a financial advisory fee of Peso: One Million Two Hundred Thousand (Php 1,200,000.00). As the Issue Manager for the Offer, SB Capital respectively have agreed to perform services which include conducting due diligence on the Company, evaluating the marketability of the Offering, assisting in the preparation of the prospectus and other required documents, coordinating the activities of all third parties appointed for the Offer, arranging and managing necessary marketing activities and such other services as may be mutually agreed between ACR and SB Capital.

#### **OFFER PERIOD**

The Offer Period shall commence upon or immediately after issuance by the SEC of the Permit to Sell, and will end 15 working days after the start of the offer period or earlier as deemed appropriate by the Issuer.

## DESCRIPTION OF THE SECURITIES TO BE REGISTERED

Instrument	: Registered Commercial Paper
Program	: Up to PHP 3,000,000,000.00
Issue Size of the First Tranche	: Php 1,135,000,000.00 face value to be issued in one lump sum or multiple tranches, at the determination of the Issuer in consultation with the Issue Manager, Lead Underwriter and Bookrunner.
Issue or Offer Price	: Discount to face value of the CPs
Use of Proceeds	: Working Capital and other General Corporate Purposes
Bonded Indebtedness.	: The Company currently has Php1,865,000,000.00 in bonded debt. The issuance of the CPs will create an additional bonded debt of up to Php1,135,000,000.00.
Discount Rate for Initial Issuance	<p>: The sum of the Base Rate and the Credit Spread determined prior to each Issue Date (the “Rate Setting Date”)</p> <p>The following are the discount rates for the Initial Issuance:</p> <p>Series T: TBD</p> <p>Series U: TBD</p>
Discount Rate for Subsequent Issuance/s	: The interest/discount rate for the subsequent issuance/s shall be set by the Issuer in consultation with the Issue Manager, Lead Underwriter and Bookrunner which may be determined based on the corresponding Benchmark Rate plus Spread
Base Rate	<p>: The Base Rate is the higher of a) the three-day average BVAL Reference Rate of the corresponding tenor, or b) the rate of the closest tenor of the Term Deposit Facility of the Bangko Sentral ng Pilipinas or its successor benchmark.</p> <p>The BVAL Reference Rate for each series is as follows:</p> <p>Series T: BVAL 6Mos</p> <p>Series U: BVAL 12 Mos</p> <p>In the event that the BVAL Reference Rates are replaced by a different calculation methodology, the applicable replacement reference rates shall apply.</p>
Tenor of the Initial Issuance	: Up to three hundred sixty (364) days; provided portions of the issuance of the CPs may, as determined by the Issuer in

	<p>consultation with the Issue Manager, Lead Underwriter and Bookrunner, have the following tenor/term. The day count convention is Actual/360.</p> <p>Series T: 182 days Series U: 364 days</p>
Tenor for Subsequent Issuance/s	: The tenor of succeeding issues may range from thirty (30) days up to the maximum tenor allowed by the Securities and Exchange Commission (SEC) under the relevant provisions of the Securities Regulation Code (SRC)
Denomination	<p>: For Series T:</p> <p>Minimum of Pesos: Five Million (Php5,000,000.00) face value and increments of Pesos: One Hundred Thousand (Php100,000.00)</p> <p>For Series U:</p> <p>Minimum of Pesos: Five Hundred Thousand (Php500,000.00) face value and increments of Pesos: One Hundred Thousand (Php100,000.00)</p>
Issue Date	: The CPs may be issued in either lump sum or tranches on a when and as needed basis in consultation with the Issuer upon approval by the SEC and issuance of the Permit to Sell any time within three (3) years following the RS Effectivity Date.
Interest Computation	: The Interest/Discount Rate and Rollover Interest / Discount Rate will be calculated on a true-discount basis.
Principal Repayment	<p>: The principal amount of the CPs will be repaid in full at their respective Maturity Dates, unless the investor provides written instruction to rollover the entire amount or a portion thereof.</p> <p>If such principal repayments are due on a day that is not a business day, the principal repayment date shall be made on the immediately succeeding business day. No additional interest will be paid in such case.</p>
Status	: The CPs will constitute direct, unconditional, unsubordinated, general and unsecured obligations of the Issuer ranking at least pari passu in all respects and without preference or priority (except for any statutory preference or priority applicable in the winding-up of the Issuer) with all other outstanding unsecured and unsubordinated obligations (contingent or otherwise, present and future) of the Issuer.

Form	: The CPs shall be issued scripless and will be maintained in electronic form with the Registrar to be appointed for this purpose.
Taxation on the Discount	: Interest paid on the CPs shall be subject to a 20% final withholding tax.
	A CP holder who is exempt from or is not subject to the aforesaid withholding tax shall be required to submit a tax exemption certificate and other applicable documents.
Registrar	: Philippine Depository & Trust Corporation
Paying Agent	: Philippine Depository & Trust Corporation
Facility Agent	: AB Capital and Investment Corporation – Trust Department

The Facility Agent has no direct relations with the issuer.

The Facility Agent is required under the Facility Agency Agreement to act on behalf of the CP Holders in calling for and/or attending meetings of the CP Holders.

A meeting of CP Holders may be called at any time and from time to time pursuant to the provisions of the Schedule 2 of the Facility Agency Agreement for the purpose of taking any action authorized to be taken by or on behalf of the CP Holders of any specified aggregate principal amount of CPs under any other provisions of this Agreement or under any other applicable law.

The Facility Agent may at any time call a meeting of the CP Holders on its own accord or upon the request by the Issuer or CP Holders holding at least twenty percent (20%) of the aggregate outstanding principal amount of the CPs to take any action specified in Clause 1 of this Schedule 2, to be held at such time and at such place as the Facility Agent shall determine. Notice of every meeting of CP Holders, setting forth the time and the place of such meeting in Metro Manila and the purpose of such meeting in reasonable detail, shall be sent to the Issuer and to each of the CP Holders and published in two (2) newspapers of general circulation in Metro Manila, Philippines not earlier than forty-five (45) days nor later than fifteen (15) days prior to the date of the meeting; Provided, that all reasonable costs and expenses incurred by the Facility Agent for the proper dissemination of required information on the requested meeting shall be paid or reimbursed, as applicable, by the Issuer

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within five (5) Business Days from receipt of the duly supported billing statement.

The above discussion is qualified by the more detailed information as contained in the Facility Agency Agreement. The said Agreement is available for inspection at the Facility Agent's office by the CP Holders upon their request.

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Other Material Provisions Giving  
or Limiting the Rights of CP  
Holders

In a CP Holders Meeting, the presence of the Majority CP Holders personally or by proxy shall be necessary to constitute a quorum to do business at any meeting of the CP Holders.

The Facility Agent shall, by an instrument in writing, appoint a temporary chairman and secretary of the meeting from among the CP Holders then present or represented during the meeting, unless the meeting shall have been called by the Issuer or by the CP Holders as provided in Clause 3 of this Schedule, in which case the Issuer or the CP Holders calling the meeting, as the case may be, shall in like manner appoint a temporary chairman and secretary of the meeting from among the CP Holders then present or represented during the meeting. Any meeting of the CP Holders duly called pursuant to the provisions of this Section may be adjourned from time to time for a period or periods not to exceed in the aggregate one (1) year from the date for which the meeting shall originally have been called, and the meeting so adjourned may be held on another date without further notice. Any such adjournment may be ordered by persons representing a majority of the aggregate principal amount of the CPs represented at the meeting and entitled to vote, whether or not a quorum shall be present at the meeting.

To be entitled to vote at any meeting of the CP Holders, a person must be a registered holder of the CPs or a person appointed by an instrument in writing as proxy by any such CP Holder as of the date of such meeting. The only persons who shall be entitled to be present or to speak at any meeting of the CP Holders shall be the persons entitled to vote at such meeting and any representative of the Issuer and its counsel.

All matters presented for resolution by the CP Holders in a meeting duly called for the purpose shall be decided or approved by the affirmative vote of the majority of the CP Holders present or represented in a meeting at which there is a quorum, except as otherwise provided in this Agreement. Any resolution of the CP Holders which has been duly approved with the required number of votes of the CP Holders as herein provided shall be binding upon all the CP Holders and the Facility Agent as if the votes were unanimous.

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	<p>Notwithstanding any other provisions of this Agreement, the Facility Agent may make such reasonable regulations as it may deem advisable for any meeting of the CP Holders, in regard to proof of ownership of CPs, the appointment of proxies by registered holders of CPs, the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidences of the right to vote, and such other matters concerning the conduct of the meeting as it shall deem fit.</p> <p>Wherever in this Agreement it is provided that the holders of a specified percentage of the aggregate outstanding principal amount of CPs may take any action (including the making of any demand or request, the giving of any notice or consent, or the taking of any other action), the fact that at the time of taking any such action the holders of such specified percentage have joined therein may be evidenced by:</p> <ul style="list-style-type: none"> <li>- any instrument executed by the CP Holders in person or by the agent or proxy appointed in writing;</li> <li>- the duly authenticated record of voting in favor thereof at the meeting of the CP Holders duly called and held in accordance with this clause; or</li> <li>- a combination of such instruments and any such record of meeting of the CP Holders.</li> </ul>
Secondary Trading	: The CPs are intended to be listed at the PDEX for secondary trading of the CPs and upon such listing, all secondary trading may be coursed through eligible PDEX Trading Participants. However, there can be no assurance that listing the CPs will materially affect their liquidity on the secondary market.
Minimum Denomination for Secondary Trading	<p>: Minimum of Pesos: One Hundred Thousand (Php100,000.00) face value and increments of Pesos: Ten Thousand (Php10,000.00).</p> <p>Secondary market trading and settlement are governed by the relevant rules of PDEX and are subject to the applicable fees of PDEX and the Registry, all of which shall be for the account of the investors.</p>
Market Maker	: SB Capital Investment Corporation
Manner of Purchase	: The CPs will be available for sale from the Issue Manager, Lead Underwriter and Bookrunner and Selling Agents, if any, subject to minimum purchase amount and denomination.
Acceptance/Rejection of the Application	: The Issuer and the Issue Manager, Lead Underwriter and Bookrunner reserves the right to accept or reject any application for CPs. In case of over-subscription, the Issuer and the Issue

	Manager, Lead Underwriter and Bookrunner reserve the right to allocate the CPs available to the investors in a manner they deem appropriate.
Delivery of CP	: Delivery of the CPs will be made upon full payment of the Offer Price to the Issue Manager, Lead Underwriter and Bookrunner and/or Selling Agents
Liabilities	: The Company as the CP issuer is liable and responsible for any and all obligations arising from the sale of the CP as provided under pertinent sections of the Negotiable Instruments Law, the SRC and applicable laws of the Philippines as well as the Underwriting Agreement and related agreements. In addition, the Issuer is responsible for complying with all reportorial requirements of the SEC in connection with the issuance of the CP.
Credit Rating	<p>: The Issuer has a rating of PRS Aa minus as assigned by Philratings effective February 23, 2022.</p> <p>Philratings assigned an issuer credit rating of PRS Aa minus (corp.) for Alsons Consolidated Resources, Inc. based on the following considerations:</p> <ul style="list-style-type: none"> <li>i. the establishment of development projects in Mindanao that are supportive of the growth of the region's power industry;</li> <li>ii. the Company's ability to establish joint ventures with strong partners for particular projects;</li> <li>iii. its planned expansion projects which will further diversify its generation mix;</li> <li>iv. its strong profitability, despite the ongoing COVID-19 pandemic;</li> <li>v. the challenges it encountered in securing bilateral contracts for its diesel power plants; and</li> </ul> <p>the improving economic situation amid declining COVID-19 cases and increasing vaccination rate.</p>
Security	: Negative pledge on the Company's existing and future assets, except (i) to secure statutory obligations, (ii) to enable the Company to continue to enter into its usual transactions in the ordinary course of business, (iii) those imposed by law or arising out of pledges or deposits under workmen's compensation laws or other social security or retirement benefits or similar legislation, and (iv) those created for the purpose of paying current taxes, assessments or other governmental charges which are not delinquent or remain payable without any penalty, or the validity of which is contested in good faith by

	appropriate proceedings upon stay of execution of the enforcement thereof.
Cross Default	: The Company shall be considered to be in default in case the Company fails to pay or defaults in the payment of any installment of the principal or interest relative to, or fails to comply with or to perform, any other material obligation, or commits a breach or violation of any of the material terms, conditions or stipulations, of any agreement, contract or document with any persons to which the Company is a party or privy, whether executed prior to or after the date hereof, or under which the Company has agreed to act as guarantor, surety or accommodation party, which, under the terms of such agreement, contract, document, guaranty or suretyship, including any agreement similar or analogous thereto, shall constitute a material default thereunder after allowing for all applicable grace periods. No default will occur under this clause if the aggregate amount the Company fails to pay is less than Php 35 million (or its equivalent in any other currency or currencies)".
Other Terms and Conditions	: The CPs will not be convertible to any other security or equity of the Issuer.  The Issuer will not set up any sinking fund for the redemption of the CPs.  Substitution of the CP with another type of security will not be permitted.  Other terms and conditions as may be agreed upon among the Issuer, the Issue Manager, Lead Underwriter and Bookrunner.
Loan Covenants	: On November 23, 2020, ACR entered into a fixed rate corporate notes facility with various noteholders with aggregate principal amount of Php6,000 million divided into 2 tranches. (a) Tranche A with principal amount of Php5,215m subject to fixed interest rate of 5% and payable within 5 years from the drawdown date and (b) Tranche B with principal amount of Php 785m, subject to fixed interest rates of 6%. The proceeds of the loan were used to prepay ACR's fixed corporate notes facility, partly finance the investments in renewable energy projects and for general corporate purposes.  In line with the covenants of the aforesaid loan, ACR shall maintain certain financial ratios such as Debt Service Coverage Ratio of not less than 1.1x and Debt-to-Equity Ratio of not more than 3.0x on the first and second year, 2.75 on the 3 <sup>rd</sup> year, 2.5 on the 4 <sup>th</sup> year and 2.33 on the 5 <sup>th</sup> year and until the loan. ACR is in compliance with the debt covenants.

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Throughout the term of the loan, ACR is required to maintain a debt service reserve account with a balance of not less than the aggregate amount of principal and interest falling due and payable under the agreement on the immediately succeeding repayment date. As at December 31, 2021 and 2020, the remaining balance of debt reserve account amounted to P175 million and P173 million, respectively. Interest income earned from debt reserve account amounted to P5 million, P4 million and P15 million in 2021, 2020 and 2019, respectively.

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## **INTEREST OF NAMED EXPERTS AND COUNSEL**

The validity of the CPs and tax matters pertaining thereto were passed upon by Avenida and Diaz Law Office (AD), the third-party transaction counsel. AD has no shareholdings or any interest, direct or indirect, in the Company, or any right, whether legally enforceable or not to nominate persons or to subscribe to the securities of the Company in accordance with the standards on independence required in the Code of Professional Responsibility and as prescribed by the Supreme Court of the Philippines.

The Philippine Depository & Trust Corporation, the Registrar and Paying Agent, has no direct and indirect interest in the Company.

The financial statements of the Company for the periods ended December 31, 2021, 2020, and 2019 appearing in this Prospectus have been audited by SyCip Gorres Velayo & Co., independent auditor, as set forth in their report thereon appearing elsewhere herein. The partner-in-charge for the periods ended December 31, 2021, 2020, and 2019 is Mr. Manolito R. Elle, CPA.

Acuña, Francisco, & Mendoza Law (AFM Law) shall serve as the transaction counsel for the program. AFM Law has no shareholdings or any interest, direct or indirect, in the Company, or any right, whether legally enforceable or not to nominate persons or to subscribe to the securities of the Company.

Atty. Jonathan F. Jimenez is the legal counsel for the Company.

There is no arrangement that experts shall receive a direct or indirect interest in the Company or was a promoter, underwriter, voting trustee, director, officer, or employee of Company.

## INDUSTRY OVERVIEW

*The information and data contained in this section have been taken from sources in the public domain. The Company does not have any knowledge that the information herein is inaccurate in any material respect. Neither the Company nor the Issue Manager, Lead Underwriter and Bookrunner nor any of their respective affiliates or advisors has independently verified the information included in this section.*

### OPERATING ENVIRONMENT<sup>1</sup>

Mindanao is the second biggest island of the country.

Mindanao has a high potential for agro-industrial development. It is endowed with eight major river basins, namely: Agusan, Tagoloan, Cagayan de Oro, Tagum, Libuganon, Davao, Buayan-Malungon, Agus and the Mindanao River – all of which could supply water for irrigation and other related needs.

One-third of the Mindanao land area is devoted to agriculture. Mindanao supplies over 40 percent of the country's food requirements and contributes more than 30 percent to national food trade. It is also the country's major producer of rubber, pineapple, banana and coffee.

Mindanao can also be developed into a top tourist destination given the cultural diversity of its people and its resource-rich environment. Its tourism industry represents about 17 percent of the national tourist traffic.

Mindanao is endowed with rich mineral resources. The CARAGA and Davao regions contribute the most to the national output with more than eight percent each. Eastern Mindanao, North Central Mindanao, Zamboanga Peninsula, and Southeastern Mindanao are considered high-interest mining areas, with rich deposits of gold, copper, iron, chromium, nickel, cobalt and manganese.

Mindanao also has vast potential for renewable energy sources. Substantial volumes of agricultural residues are a potential source of biomass energy; Siargao Island and Davao Oriental are ideal sites for ocean energy generation; while Surigao is a potential site for wind power.

### Power Situation

Energy security is crucial to the continued growth of industries in Mindanao.

The experiences of the region in the early part of the decade is a testament to that. Then, it had high dependency on hydropower which at the time contributed over half of the power generated which in turn made climate change a real threat to Mindanao's energy security. In particular, increasing incidence of El Niño has reduced water levels and hampered power supply. The situation has been aggravated by the degradation of Mindanao's watersheds like Lake Lanao, which is the primary source for the Agus Hydro- Electric Power Plants. However, the relative importance of hydro to the supply mix had decreased in recent years due to the operation of new power plants that utilize other sources of energy.

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<sup>1</sup> Source: National Economic Development Authority's Mindanao Strategic Development Framework 2010 - 2020

## POWER GENERATION <sup>2</sup>

The Mindanao grid recorded a 13,852 GWh electricity consumption for 2020, a mere 0.3% growth rate from 2019. Among the three grids, only Mindanao exhibited a positive increment from the previous year. Unsurprisingly, the restrictions put in place boosted an annual growth of 12.6% in residential energy consumption, thereby increasing the annual share of the sector from 30.0% in 2019 to 33.7% in 2020. All remaining sectors plummeted with the exception of “Own Use” which increased by 21.1% due to the entry of new power plants in late 2019 and 2020, contributing to the station use of power plants under this category.

Mindanao remained to have the highest reserve margin among the three grids, totaling to 4,584 MW of installed capacity and 4,031 MW of dependable capacity. This is a 3.3% increase from last year, mainly due to the entry of coal-fired power plants with a total installed capacity of 175 MW as shown in the table below. Moreover, there was an increase in installed capacity for hydro and a decrease for oil-based based on the annual updating of the DOE List of Existing Power Plants, factors of which were highlighted in the earlier section of the report. The security of supply in Mindanao reflects the readiness of its regions for more economic investments and opportunities. Furthermore, with the ongoing development of the Wholesale Electricity Spot Market (WESM) Mindanao and the Mindanao-Visayas Interconnection Project (MVIP), Mindanao will be able to share its capacity with Visayas, and consequently, Luzon in the near future.

### Existing Installed and Dependable Capacity, as of 31 December 2020 (in MW)

Fuel Type	Installed		Dependable	
	MW	Percent Share (%)	MW	Percent Share (%)
<b>Coal</b>	<b>2,264</b>	<b>49.4</b>	<b>2,041</b>	<b>50.6</b>
<b>Oil Based</b>	<b>889</b>	<b>19.4</b>	<b>790</b>	<b>19.6</b>
<b>Natural Gas</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>
<b>Renewable Energy</b>	<b>1,430</b>	<b>31.2</b>	<b>1,201</b>	<b>29.8</b>
<i>Geothermal</i>	<i>108</i>	<i>2.4</i>	<i>103</i>	<i>2.6</i>
<i>Hydro</i>	<i>1,165</i>	<i>25.4</i>	<i>1,007</i>	<i>25.0</i>
<i>Biomass</i>	<i>73</i>	<i>1.6</i>	<i>23</i>	<i>0.6</i>
<i>Solar</i>	<i>84</i>	<i>1.8</i>	<i>67</i>	<i>1.7</i>
<i>Wind</i>	<i>0</i>	<i>0.0</i>	<i>0</i>	<i>0.0</i>
<b>2020 TOTAL</b>	<b>4,584</b>	<b>100.0</b>	<b>4,031</b>	<b>100.0</b>
<b>2019 TOTAL</b>	<b>4,436</b>		<b>3,832</b>	

*Note: Including off-grid generators*

*Source: DOE List of Existing Power Plants*

<sup>2</sup> Source: DOE 2020 Power Situation Report

[https://www.doe.gov.ph/sites/default/files/pdf/electric\\_power/2020\\_power-situation-report\\_as\\_of\\_16-august-2021.pdf?withshield=2](https://www.doe.gov.ph/sites/default/files/pdf/electric_power/2020_power-situation-report_as_of_16-august-2021.pdf?withshield=2)

## 2022 Newly-Operational Power Plants, Mindanao

POWER PLANT		CAPACITY, MW		LOCATION	OPERATOR
Facility Name	Subtype	Installed	Dependable	Municipality/ Province	
GNPOWER KAUSAWAGAN U4	Circulating Fluidized Bed (CFB) Coal	150.0	138.0	Kauswagan, Lanao Del Norte	GNPower Kauswagan Ltd. Co.
PSPE	Circulating Fluidized Bed (CFB) Coal	25.0	20.0	Brgy. Kiwalan, Iligan City, Lanao Del Norte	Powersource Philippines Energy Inc. (PSPE)
<b>TOTAL</b>		<b>175.0</b>	<b>158.0</b>		

Note: Excluding off-grid generators

Source: DOE List of Existing Power Plants

The Mindanao gross generation amounted to 13,852 GWh in 2020, slightly increasing by 0.3% from 2019. Coal further increased its share at 71.5% from a 68.2% share in the previous year. The largest decline in the mix is from oil-based sources as the peaking requirements further declined due to the impact of the pandemic and the oversupply of registered capacities in the grid. Furthermore, renewable energy sources also declined by 6.6% but still contributed a hefty share of 25.8% in the gross generation mix, comprising of geothermal (5.4%), hydro (18.9%), biomass (0.8%), and solar (0.8%). The growth in supply is expected to continue as outlined below.

## Summary of Committed and Indicative Power Projects, as of December 2020

Type of Power Plant	Committed			Indicative		
	No. of Proponents	Capacity (MW)	% Share	No. of Proponents	Capacity (MW)	% Share
<b>Coal</b>	<b>1</b>	<b>270</b>	<b>76.6</b>	<b>2</b>	<b>628</b>	<b>33.8</b>
<b>Oil-Based</b>	<b>1</b>	<b>11</b>	<b>3.1</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
<b>Natural Gas</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
<b>Renewable Energy</b>	<b>5</b>	<b>71</b>	<b>20.2</b>	<b>24</b>	<b>1,231</b>	<b>66.2</b>
<i>Geothermal</i>	<i>0</i>	<i>0</i>	<i>0.0</i>	<i>1</i>	<i>30</i>	<i>1.6</i>
<i>Hydro</i>	<i>4</i>	<i>68</i>	<i>19.4</i>	<i>14</i>	<i>854</i>	<i>45.9</i>
<i>Biomass</i>	<i>1</i>	<i>3</i>	<i>0.9</i>	<i>1</i>	<i>10</i>	<i>0.5</i>
<i>Solar</i>	<i>0</i>	<i>0</i>	<i>0.0</i>	<i>8</i>	<i>337</i>	<i>18.1</i>
<i>Wind</i>	<i>0</i>	<i>0</i>	<i>0.0</i>	<i>0</i>	<i>0</i>	<i>0.0</i>
<b>2020 TOTAL</b>	<b>7</b>	<b>352</b>	<b>100.0</b>	<b>26</b>	<b>1,859</b>	<b>100.0</b>
<b>BESS</b>	<b>2</b>	<b>240</b>		<b>2</b>	<b>69</b>	
<b>2019 TOTAL</b>	<b>5</b>	<b>589</b>		<b>47</b>	<b>2,477</b>	

Note: Numbers may not sum to total due to rounding off.

## Significant Events<sup>3</sup>

A number of natural calamities, such as earthquakes and typhoons, affected various transmission and distribution facilities in Mindanao. Fortunately, there were no recorded yellow and red alert occurrences

<sup>3</sup> [https://www.doe.gov.ph/sites/default/files/pdf/electric\\_power/2020\\_power-situation-report\\_as\\_of\\_16-august-2021.pdf?withshield=2](https://www.doe.gov.ph/sites/default/files/pdf/electric_power/2020_power-situation-report_as_of_16-august-2021.pdf?withshield=2)

in 2020 due to the current oversupply situation in the region. The COVID-19 pandemic and country-wide community quarantine restrictions brought significant demand reduction and prompted numerous power plants to be put on reserve shutdown. The pandemic also caused a series of delays in the target completion dated of the MVIP and the commercial operation of WESM Mindanao. These key projects are envisioned to address the current oversupply situation and frequent manual load dropping incidents caused by the over/under nomination of customers under the current dispatch protocol in Mindanao.

# THE COMPANY

## Company Overview

ACR is a Philippines-based investment holding company. The Company is engaged in the business of exploration of oil, petroleum and other mineral products. The Company's business, conducted through its subsidiaries and associates, is grouped into various categories, such as Energy and Power, Property Development and Other Investments. ACR's investment in Energy and Power business is through four holding firms namely, Conal Holdings Corporation, Alsing Power Holdings, Inc., Alsons Renewable Energy Corporation and Alsons Thermal Energy Corporation. ACR is engaged in the Property Development business through its subsidiary, Alsons Land Corporation (ALC). ALC is engaged in an approximately 72-hole golf course development with a residential component called the Eagle Ridge Golf and Residential Estate. ACR, through ACR Mining Corporation (ACR Mining), is engaged in the acquisition of interest in Manat Mining Claims<sup>4</sup>.

## History

ACR was incorporated on December 24, 1974 as Victoria Gold Mining Corporation to engage in the business of exploration of oil, petroleum and other mineral products. The corporate name was changed to Terra Grande Resources, Inc. (Tegre) in March 1995.

In 1994, the Alcantara Group, through Alsons Power Holdings Corporation (APHC), acquired a 55.80% interest in Tegre through a swap of APHC's 50.78% stake in Northern Mindanao Power Corporation (NPMC). The Securities and Exchange Commission formally approved the stock swap on March 4, 1995 together with the increase in the Company's authorized capital stock from P1 billion to P3 billion.

The corporate name was changed to Alsons Consolidated Resources, Inc. in June 1995 to mark the entry of the Alcantara Group. The Company's primary purpose was subsequently changed to that of an investment holding company, and oil exploration was relegated to a secondary purpose.

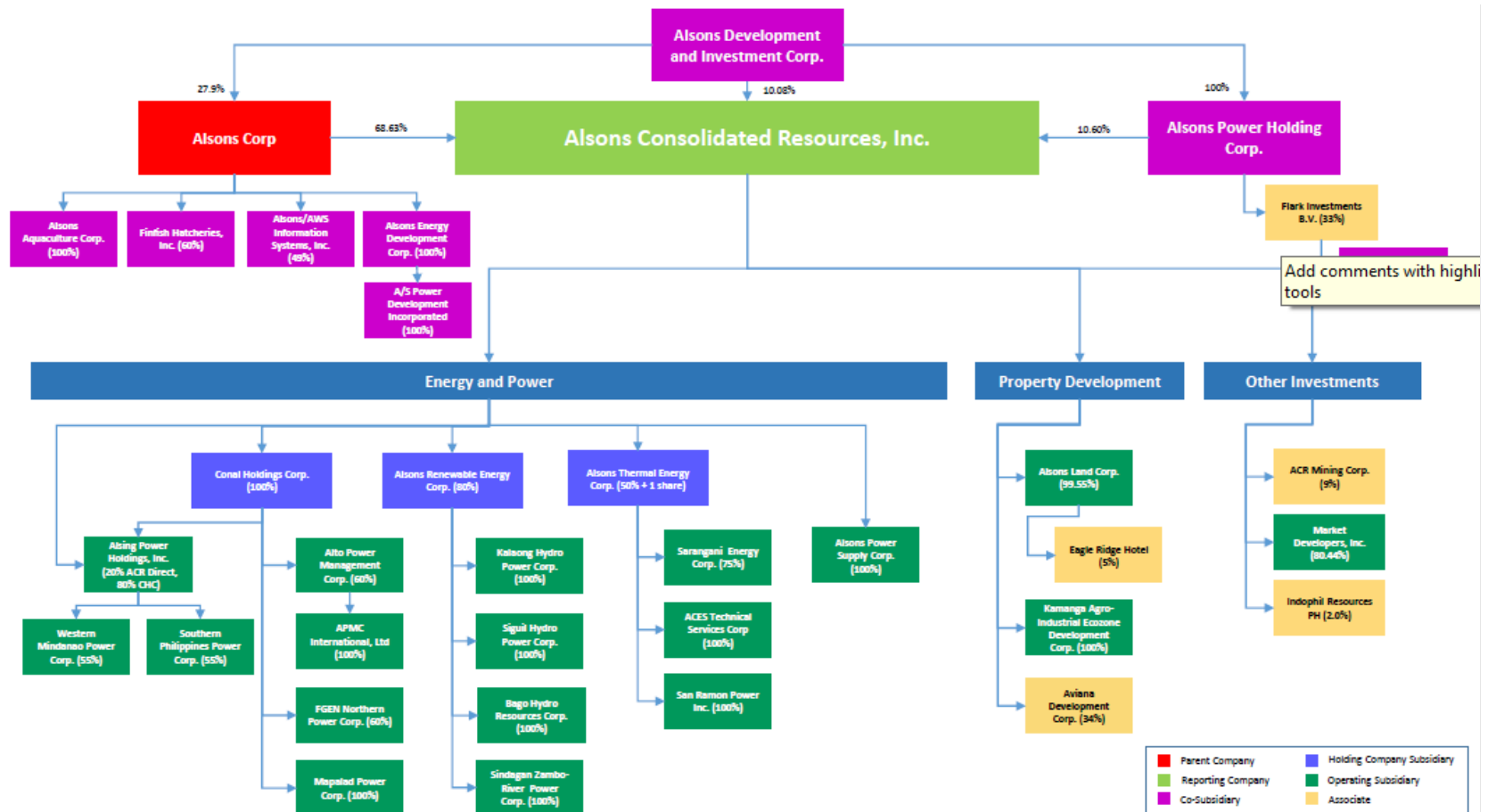
On October 10, 1996, the Company completed its reorganization through a series of stock swaps. As a result of this reorganization, some of the Alcantara Group's established businesses became majority or minority owned subsidiaries of ACR and the Company's authorized capital was further increased from P3 billion to P12 billion.

ACR's core businesses, conducted through its various subsidiaries and associates, can be grouped into the following main categories: a) Energy and Power, b) Property Development, and c) Other Investments. A description of the general nature and scope of these businesses is presented below:

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<sup>4</sup> <http://markets.ft.com/data/equities/tearsheet/profile?s=ACR:PHS>

# Corporate Structure



## Business Segments

### Energy and Power

ACR's investment in the Energy and Power business is through four holding firms namely, Conal Holdings Corporation (Conal or CHC) and Alsing Power Holdings, Inc. (Alsing), Alsons Renewable Energy Corporation (AREC) and Alsons Thermal Energy Corporation (ATEC).

*The four holding firms:*

1. Conal owns all of ACR's diesel plants operating power generation businesses, namely: (1) Alsing Power Holdings, Inc. at 80%, (2) Alto Power Management Corporation at 60%, and (3) Mapalad Power Corporation at 100%.
2. Alsing, in turn, owns 55% of: (a) Western Mindanao Power Corporation; and (b) Southern Philippines Power Corporation. Further, ACR directly owns 20% of Alsing.
3. AREC, which was organized on September 18, 2014 is ACR's vehicle for developing renewable energy (RE) projects. AREC currently holds 100% equity in the following subsidiaries: Siguil Hydro Power Corporation ("Siguil"), Kalaong Hydro Power Corporation ("Kalaong"), Bago Hydro Resources Corporation and Sindangan Zambo-River Power Corporation, all in the business of renewable energy.
4. ATEC was organized on November 23, 2015, as a holding company for ACR's coal-fired thermal power assets. ACR transferred its ownership in Sarangani Energy Corporation (Sarangani Energy) to ATEC on October 13, 2016.

ACR also formed Aces Technical Services Corporation (ACES), a wholly-owned subsidiary, on July 7, 2011, and it serves as the operations and maintenance provider of Sarangani Energy and San Ramon Power, Inc. (SRPI). ACR transferred its ownership in ACES and SRPI to ATEC on October 12, 2016, and May 24, 2017, respectively.

On June 3, 2017, the Company signed an agreement with Global Business Power Corporation (GBP) for GBP to acquire a 50% less one share stake in ATEC. The Philippine Competition Commission approved the transaction on September 25, 2017, and the Deed of Absolute Sale was signed on November 27, 2017. The partnership combines ACR's distinct knowledge of the Mindanao power market, development thru long years of experience as the island's first independent power producer and with GBP's track record as the leading power producer in the Visayas. The Company believes that this endeavor will greatly benefit power consumers particularly in light of the planned interconnection of the Mindanao and Visayas grids. The partnership will also give ACR the opportunity to pursue with greater strength its energy-based projects, particularly its renewable power generating plants in Mindanao and Western Visayas. This will also allow ACR to accelerate its foray and entry in other energy-related enterprises in Southern Philippines, including the smaller islands with promising growth in power demands.

ACR also has a wholly-owned subsidiary, Alsons Power International Limited (APIL), which develops power plant projects outside the country.

The four (4) operating power generation subsidiaries, WMPC, SPPC, MPC, and Sarangani Energy are all located in Mindanao.

*The four operating power plants:*

1. WMPC operates a 100-megawatt (MW) diesel-fired electricity generating facility in Zamboanga City as a merchant plant after its 18-year “Build-Operate-Own” (BOO) arrangement with the NPC expired in December 2015. WMPC currently provides power to Zamboanga City thru a power sales agreement (PSA) with Zamboanga City Electrical Cooperative.
2. SPPC owns a 55 MW diesel-fired electricity generating facility located in Alabel, Sarangani Province, 13 kilometers east of General Santos City. SPPC’s 18-year BOO arrangement with NPC expired on April 28, 2016.
3. MPC rehabilitated the 103MW bunker-fired Iligan Diesel Power Plants (IDPPs) I and II, which Conal acquired from the Iligan City Government and started operating these plants on February 27, 2013. MPC currently functions as a merchant plant and serves various electric cooperatives in Mindanao.
4. Sarangani Energy’s 210MW coal-fired power plants are located in Maasim, Sarangani Province. Its first section of 105MW began commercial operations in April 2016, while its second section of another 105MW or Phase 2 started commercial operations on October 10, 2019.

ACR has also started construction of its first renewable energy project under Siguil Hydro Power Corporation, which will operate a 14.5MW run-of-river electricity generating facility located at the Siguil River basin in Maasim, Sarangani. The construction phase of this project is in full swing and the Company expects commercial operations to begin in the first half of 2023. The Company likewise began site development and clearing works for SRPI’s 105MW coal-fired power plant project, which could supply power to Zamboanga City and other parts of the Zamboanga Peninsula, with commercial operations expected to begin in 2025.

AREC organized and incorporated Bago and Sindangan on February 26, 2018 and August 21, 2018, respectively, as wholly owned subsidiaries. Bago and Sindangan were incorporated primarily to develop and invest in energy projects including but not limited to the exploration, development and utilization of renewable energy resources. Bago’s 42 MW Hydro Power Plant Project is in Negros Occidental while Siayan is a combined 9MW hydro power project and 25MW solar power project located mainly in the Municipality of Siayan and Duminag, Zamboanga Del Norte. These projects are expected to augment power supply in the provinces of Negros Occidental and Zamboanga Del Norte, respectively, once they are completed. As at June 30, 2022, Bago and Sindangan have not yet started commercial operation.

### **Property Development**

ACR is also engaged in the Real Estate Development and Project Management through its subsidiary, Alsons Land Corporation or ALC. ALC continues to enhance its real estate portfolio thru investments in projects with immediate development potential. These include residential, commercial, mixed-use, and township and estate projects that have trading income activities (sale), high value recurring income businesses (rentals), Joint Venture arrangements and Asset Management opportunities.

Launched in November 25, 1994, ALC was involved in the development of Eagle Ridge Residential Estates, and the Eagle Ridge Golf and Country Club, in Cavite. The latter Club boasts of 72 holes in 4 golf courses, each designed by a world-class golf legend.

ACR also entered into a Joint Venture Agreement with Ayala Land Incorporated (ALI) to develop a 26-hectare world-class estate in Lanang, Davao City, Mindanao. The estate is set to be transformed into a master-planned, mixed-use community that will include residential low to mid-rise towers, commercial lots, offices, an events venue and a waterside cove with some retail components. A world-class medical facility will soon rise within the estate. The sustainable estate is set to be Davao's prime waterside community, encapsulating a life of fluidity and ease within a vibrant locality and a buoyant economy south of the country; a paramount destination for the best in home, business and lifestyle in Mindanao.

ALC continues to grow its residential business when it embarked on the expansion of its Campo Verde subdivision in Batangas, a joint venture project with Sunfields Realty Development, Inc. The initial project, which is an 11-hectare property located inside the Lima Technology Center, is close to selling out. This project is an hour away from Makati via the South Luzon Expressway and the Southern Tagalog Arterial Road Tollway. Campo Verde offers three (3) distinct Spanish-themed homes that are ideal for young to growing families. The model house choices range from: Condesa, with a lot area of 90 square meters and floor area of 36 square meters; Duquesa, with a lot size of 100 square meters and a floor area of 50 square meters; and Reina, with 120 square meter-lot and a floor area of 80 square meters.

Through ALC, ACR is also developing the Kamanga Agro-Industrial Economic Zone in the Municipality of Maasim, Province of Sarangani, where the power plant of Sarangani Energy is located. This "Ecozone" is accredited with the Philippine Economic Zone Authority (PEZA) as an agricultural and light-industry zone. Enterprises will be encouraged to set up their businesses in, or relocate to, this Ecozone to enjoy incentives prescribed by law through the PEZA. Kamanga Agro-Industrial Ecozone Development Corporation (KAIEDC) has successfully closed an agreement in December 2019 for the sale of 28-hectare property to a locator.

### **Other Investments**

In 2007, ACR infused capital in ACR Mining amounting to P195 million, which was acquiring 75% interest in a joint venture between Alsons Development and Investment Corporation (ADIC or ALDEVINCO), and Southern Exploration (SECO). This joint venture was organized to explore and develop the Manat Mining Claims situated in the provinces of Davao del Norte and Compostela Valley.

ACR Mining was formerly known as ACR Management Corporation. Its initial activity involved the acquisition of ADIC's interest in a mining claim, referred to as the Manat Mining Claims. Covered by Mineral Production Sharing Agreement (MPSA) Serial no. 094-97-XL for 25 years up to year 2022, the mining claim has a total area of 1,547.32 hectares. It is located in the Municipality of Nabunturan, province of Compostela Valley and in the Municipality of Maco, Province of Davao del Norte. Previous exploration work identified three mineralized structures: Pagtulian, Katungbuan/Taglayag, and Magas. Detailed work on the Magas Vien Zone (MVZ) so far revealed an estimate inferred resource of 2.7 million tons containing: 2.8 g/t gold, 26 g/t silver, 0.09% copper, 0.85% lead, and 1.58% zinc. On May 24, 2015, the Board of Directors approved and declared ACR Mining as property dividend of record date of June 5, 2015. The SEC approved the Certificate of Filing the Notice of property Dividend on August 11, 2015. The Bureau of Internal Revenue issued its Certificate Authorizing Registration on February 22, 2016.

The Declaration of Mining Project Feasibility was submitted to the Mines and Geosciences Bureau on October 2012. As of today, the Company continues to be under the care and maintenance activities wherein various safety, environment and health programs together with the host communities was implemented.

In the last quarter of 2019, the company started the process of transferring the MPSA which is currently under the name of Alsons Development and Investment Corporation. However, the processing of the documents to implement the transfer encountered numerous setbacks as a result of prolonged lockdowns in both the Region XI and the National Office of the Mines and Geosciences Bureau, the agencies where the documents were submitted and evaluated.

With the above difficulties, the transfer target was revised to be completed by the first half of 2022 as we simultaneously work on the renewal and extension of the MPSA.

## Business Segments Contribution to Revenues

As presented in the table below, the recurring income of ACR comes from power plant operations. Its investments in property development contributes only less than 1% of its total Revenues and is considered only a portfolio investment.

Business Segment	(Amounts in Thousand PhP)			% to Total		
	2021	2020	2019	2021	2020	
Energy and Power	P 10,047	P 9,464,453	P 6,783,110	100%	100%	100%
Property Development	7,657	6,337	12,986	0%	0%	0%
Total	P 10,103,481	P 9,520,755	P 6,796,096	100%	100%	100%

The Company had no income from foreign sources for the past 3 years.

### Material Partly- Owned Subsidiaries

The tables below show details of materially partly owned subsidiaries of ACR either directly or indirectly.

Business Segment	Principal Activity	Proportion Ownership Interest and Voting Rights Held by Non-controlling interest		
		2021	2020	2019
SPPC	Power Generation	45.0%	45.0%	45.0%
WMPC	Power Generation	45.0%	45.0%	45.0%
ATEC	Holding Company	50.0%	50.0%	100.0%
Sarangani Energy	Power Generation	62.5%	62.5%	25.0%

The summarized financial information in respect of the subsidiaries that have material non-controlling interests is set out below. The summarized financial information below represents amounts before intra-group eliminations.

Summarized statements of comprehensive income for the years ended December 31, 2021 and 2020 are shown below.

## 2021

	Power And Energy	Property Development	Other Investments	Total	Eliminations	Consolidated
<i>(Amounts in Thousands)</i>						
<b>Earnings Information</b>						
Revenues						
External customer	P10,092,494	P10,794	P-	P10,103,288	(P48,777)	P 10,054,511
Inter-segment	-	193	628,212	628,405	(628,405)	-
Total revenues	10,092,494	10,987	628,212	10,731,693	(677,182)	10,054,511
Interest income	9,681	2,234	4,558	16,473	-	16,473
Finance charges	1,386,640	-	330,304	1,716,944	-	1,716,944
Provision for income tax	248,813	(23,423)	2,101	227,491	(61,855)	165,636
Net income (loss)	1,640,283	(6,967)	215,933	1,849,249	(528,566)	1,320,683
<b>Other Information</b>						
Investments in associates and due from related parties	474,020	1,051,266	14,116,559	15,641,845	(10,915,256)	4,726,589
Segment assets	38,476,104	2,554,264	17,154,447	58,184,815	(10,428,357)	47,756,458
Segment liabilities	23,046,955	842,821	9,644,506	33,534,282	(3,729,936)	29,804,346
Depreciation	1,474,961	496	2,038	1,477,495	44,538	1,522,033
<b>Cash Flow Information</b>						
Net cash flows from (used in):						
Operating activities	4,230,416	(22,670)	(1,109,507)	3,098,239	675,412	3,773,651
Investing activities	(774,325)	(116,345)	443,763	(446,907)	(529,323)	(976,230)
Financing activities	(3,272,721)	25	770,194	(2,502,502)	(140,086)	(2,642,588)

## 2020

	Power And Energy	Property Development	Other Investments	Total	Eliminations	Consolidated
<i>(Amounts in Thousands)</i>						
<b>Earnings Information</b>						
Revenues						
External customer	P9,509,894	P9,700	P-	P 9,519,594	(P48,804)	P9,470,790
Inter-segment	-	1,161	733,929	735,090	(735,090)	-
Total revenues	9,509,894	10,861	733,929	10,254,684	(783,894)	9,470,790
Interest income	30,166	707	11,561	42,434	(468)	41,966
Finance charges	1,550,847	-	534,274	2,085,121	25,445	2,110,566
Provision for income tax	293,424	-	3,177	296,601	(3,265)	293,336
Net income (loss)	2,475,054	(21,366)	122,387	2,576,075	(708,145)	1,867,930
<b>Other Information</b>						
Investments in associates and due from related parties	420,344	902,040	7,876,006	9,198,390	(5,275,120)	3,923,270
Segment assets	37,689,926	2,404,891	15,837,636	55,932,453	(9,517,706)	46,414,747
Segment liabilities	26,337,574	699,382	8,421,939	35,458,895	(4,748,559)	30,710,336
Depreciation	1,669,929	670	1,916	1,672,515	44,560	1,717,075
<b>Cash Flow Information</b>						
Net cash flows from (used in):						
Operating activities	5,373,879	289,183	(1,433,380)	4,229,682	1,041,328	5,271,010
Investing activities	(1,773,497)	(95,128)	407,052	(1,461,573)	(320,960)	(1,782,533)
Financing activities	(3,365,175)	(1,175)	492,311	(2,874,039)	(725,858)	(3,599,897)

## 2019

	Power And Energy	Property Development	Other Investments	Total	Eliminations	Consolidated
<i>(Amounts in Thousands)</i>						
<b>Earnings Information</b>						
Revenues						
External customer	P6,781,110	P12,986	P-	P6,796,096	P-	P6,796,096
Inter-segment	261,187	5,098	420,732	687,017	(687,017)	-
Total revenues	7,042,297	18,084	420,732	7,481,113	(685,017)	6,796,096
Interest income	74,374	851	43,964	119,189	(996)	118,193
Finance charges	737,904	-	561,729	1,299,633	(218,619)	1,081,014
Provision for (benefit from) income tax	141,766	497	(23,347)	118,916	(51,880)	67,036
Net income (loss)	1,306,099	(14,518)	(189,616)	1,101,965	(127,812)	974,153
<b>Other Information</b>						
Investments in associates and due from related parties	696,388	826,832	6,462,431	7,985,651	(4,387,767)	3,597,884
Segment assets	37,434,694	2,046,803	14,686,837	54,168,334	(8,559,120)	45,609,214
Segment liabilities	27,052,718	319,802	7,261,921	34,634,441	(3,879,924)	30,754,517
Depreciation	1,028,507	897	1,586	1,030,990	45,844	1,076,834
<b>Cash Flow Information</b>						
Net cash flows from (used in):						
Operating activities	2,316,549	28,642	(199,750)	2,145,441	230,501	2,375,942
Investing activities	(2,255,429)	(2,555)	56,207	(2,201,777)	(881,698)	(3,083,475)
Financing activities	(683,303)	433	119,399	(563,471)	620,736	57,265

## Power Plants

### Overview of the Power Plants

The four (4) operating power generation subsidiaries, WMPC, SPPC, MPC, and Sarangani Energy are all located in Mindanao.

Presented below is a table summarizing relevant information about the Power Plants.

Power Plant	Parent Company	Status	Expected Life	Date of Construction	Start of Commercial Operation	Location	Capacity (MW)
WMPC	Alsing Power Holding	Operational	18 years	1996-1997	December 1997	Malasugat, Sangali Zamboanga City	100
MPC	Conal Holding Corp	Operational	30 years	1992-1993	July 1993 (MPC 1) December 1993 (MPC 2)	Sitio Mapalad, Dalipuga, Iligan City	103
SEC Phase 1	ATEC	Operating	25 years	04 June 2012 (LNTP) 28 December 2012 (NTP)	April 29, 2016	Barangay Kamanga, Maasim, Sarangani Province	105
SEC Phase 2	ATEC	Operational	25 years	14 July 2016 (LNTP) 14 October 2016 (NTP)	October 10, 2019	Barangay Kamanga, Maasim, Sarangani Province	105

### Status of publicly-announced new projects

1. The Siguil Hydro Power Corporation, which will operate 14.5 MW run-of-river electricity generating facility located at the Siguil River basin in Maasim, Sarangani. The construction phase of this project is in full swing and the company expects commercial operations to begin in the first half of 2023. The other hydro projects currently in the pipeline include a 9MW hydro power project and 25MW solar power project in Zamboanga del Norte; and the 42 MW Bago Hydro plant in Negros Occidental.
2. The 105MW SRPI power plant in Zamboanga City received its environmental compliance certificate from the Department of Environment and Natural Resources in March 2012. The Company has begun site preparation and clearing works. The total project cost is estimated at Php16 billion. SRPI is still negotiating with various banks to finance the project. Once in operation, the SRPI coal-fired power plant would be able to service Zamboanga City and other nearby areas and target to go online by 2025.

The Company has no existing patents, trademarks, copyrights, licenses, franchises, concessions and royalty agreements.

## Life of Power Plant

### Start of Commercial Operations:

- SARANGANI Phase 1 started commercial operation on April 29, 2016.
- SARANGANI Phase 2 started commercial operations on October 10, 2019.
- MPC started commercial operation on 2013.
- WMPC started commercial operation on 1997.
- SPPC started commercial operation on 1998.

### Expected Life:

- **SARANGANI** -The design life of both units, as per the respective EPC contracts, is 35 years.
- **WMPC** - the expected life is 40 years from start of commercial operations
- **MPC** – the expected life is 20 years from 2013, based on running hours
- **SPPC**- The expected life is 20 years from 2017, based on running hours.

After the expected life of the power plants, the Company conducts a plant study in order to extend the life of the power plants, especially if the plants are still required to be operational. This study takes into account the condition of equipment and facilities, the running and operating conditions over the previous designed life of the plant, licensing conditions, among other considerations. The purpose of the study is to produce a recommendation on whether it is viable to refurbish equipment and continue the plants' operations. The company sticks to their set scheduled maintenance regime and refurbish and replace equipment, as determined by inspections, condition monitoring and obsolescence. These enhancements will then extend the useful life of a power plant.

## Process Flow

From the four (4) operating power plant, only Sarangani is a coal-fired power plant. WMPC, MPC and SPPC are all diesel power plants.

Operating Power Plants	Type of Power Plant
SARANGANI	Coal-Fired Power Plant
WMPC	Diesel Power Plant
SPPC	Diesel Power Plant
MPC	Diesel Power Plant

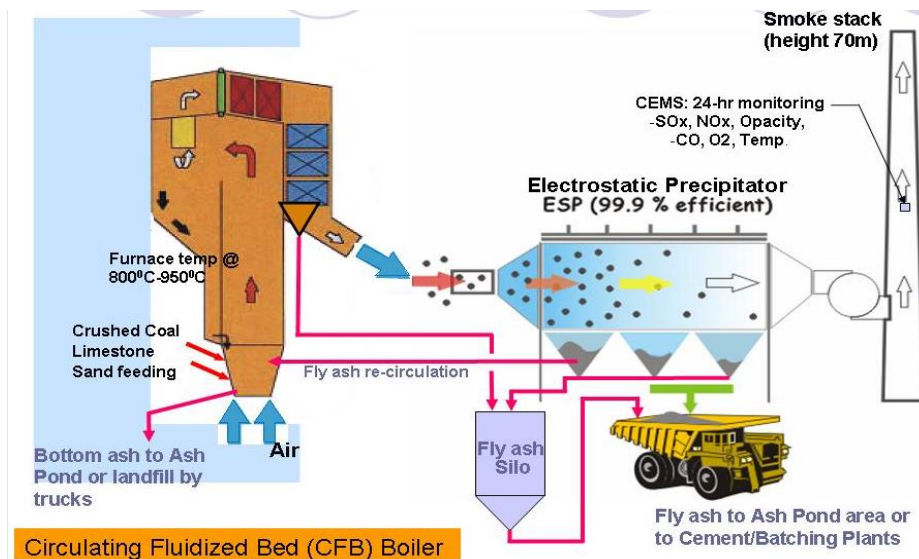
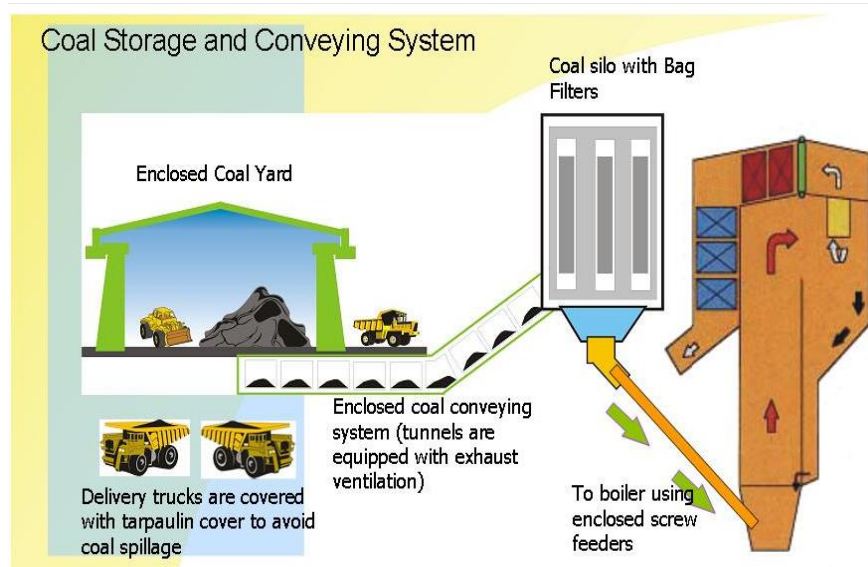
### Coal Fired Thermal Power Plant<sup>5</sup>:

Coal is burnt in the boiler furnace to produce heat. Carbon in the coal and Oxygen in the air combine to produce Carbon Dioxide and heat. The heat from combustion of the coal boils water in the boiler to

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<sup>5</sup> <http://www.brighthubengineering.com/power-plants/18082-coal-fired-thermal-power-plant-the-basic-steps-and-facts/>

produce steam. The steam is then piped to a turbine. The high-pressure steam impinges and expands across a number of sets of blades in the turbine. The impulse and the thrust created rotates the turbine. The steam is then condensed and pumped back into the boiler to repeat the cycle. After, rotation of the turbine rotates the generator rotor to produce electricity based of Faraday's Principle of electromagnetic induction.



## Diesel-Fired Power Plant<sup>6</sup>

A diesel engine is a type of internal combustion engine. An internal combustion engine transforms the chemical energy in fuel to mechanical rotational energy. To release the chemical energy in diesel

<sup>6</sup> <http://www.learnengineering.org/2014/10/Diesel-engine-Working.html>

effectively, an atomized form of the fuel is made to contact with high temperature and high-pressure air. In diesel engines, this energy is effectively transferred as mechanical rotational energy. The operation of a diesel engine is all about producing high temperature and high-pressure air continuously.

Piston, connecting rod, crank and cylinder form a mechanism called slider-crank mechanism. Here the linear motion of the piston is transformed to a rotary motion at the crank.

During the motion of the piston, the topmost point it can reach is called Top dead centre (TDC) and the bottom most position the piston can reach is called as Bottom dead centre (BDC). In an IC engine, this mechanism is properly supported in an engine block. Cylinder head, valves and fuel injector are fitted above the engine block.

When the piston moves downwards, inlet valves open and fresh air from outside is sucked in, or, in other words, the engine breathes. This stroke is called as suction stroke.

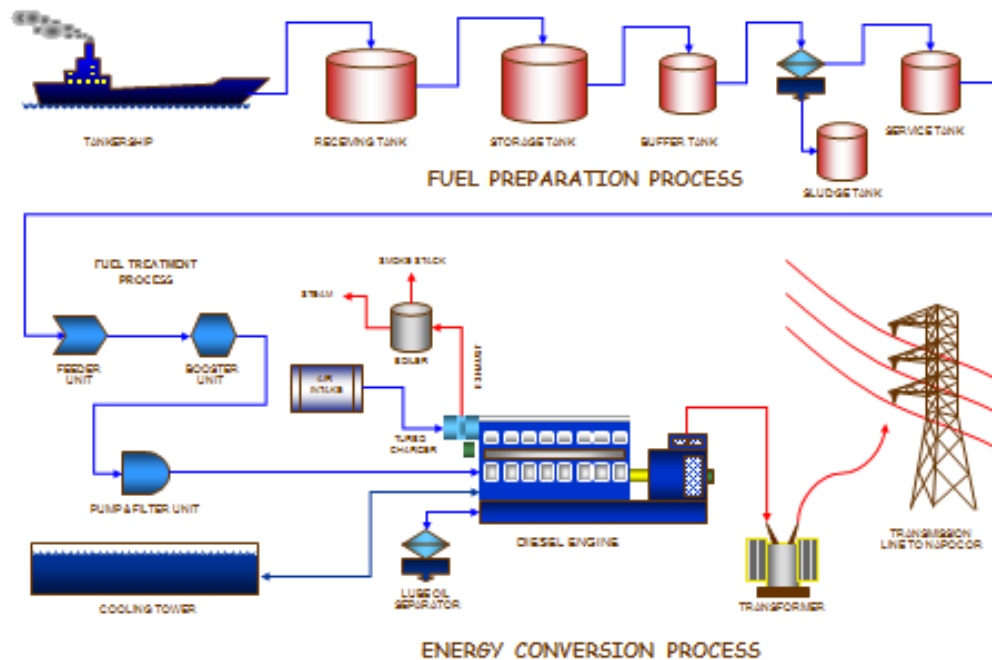
During the return stroke, inlet and exhaust valves are closed and the air inside the cylinder gets compressed. During the compression stroke, the piston does work on the air. So, the temperature and pressure of the air will rise to a level which is higher than the self-ignition value of the diesel.

An atomized form of diesel is injected into this compressed air. The fuel gets evaporated and undergoes an uncontrolled spontaneous explosion. As a result, the pressure and temperature rise to high level values.

The high energy fluid pushes the piston downwards. The hot air does work on the piston and energy in the fluid is converted to the mechanical energy of the piston. This is the only stroke where the piston absorbs power from the fluid.

Due to inertia of the system, the piston moves upwards again. This time the exhaust valves open and the exhaust are rejected. Again, the suction stroke happens.

This cycle, which has a total 4 strokes, is repeated over and over for continuous power production.



### Distribution of Power to Customers (Distribution Utilities)

Power is generated in the power plants, following the process flow explained above. After which, power is transmitted through the grid to the Distribution Utilities. It is then the distribution utilities who will transmit the power to the end users.

### Sources and Availability of Raw Materials and Supplies

SPPC has not renewed Fuel Supply Agreement with Pilipinas Shell Petroleum that expired last September 1, 2019 as the plant ceased operations. MPC and WMPC each signed a Fuel Supply Agreement with Phoenix Petroleum Corporation for the supply of approximately 4 to 8 million liters of fuel per month for each plant. MPC's and WMPC's agreement renewable every month.

WMPC and MPC has an agreement with Pilipinas Shell Petroleum Corporation for the supply of its lubricating oil, while SPPC's contract was terminated in 2018.

Wärtsilä Corporation of Finland supplies the engine parts and major maintenance services needed by the diesel plants.

Sarangani Energy Corporation has a fuel and transport agreement with Toyota Tsusho Corporation for low Sulphur coal, or sub-bituminous coal, which is sourced from Kalimantan, Indonesia with net calorific value of 3,630 to 5,450 Kcal per kilogram and its price based on Global Coal New Castle Index. The agreement is valid for 10 years from April 29, 2016 until 2026. The company is also procuring low Sulphur coal via spot market or short-term contracts with flexible pricing options with priced based on Global Coal New Castle Index, Indonesian Coal Index and or Fixed Price arrangements.

ACR is not expected to be dependent upon any one or limited number of suppliers for essential raw materials, energy or other items.

## Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include (a) enterprises that directly, or indirectly through one or more intermediaries, control or are controlled by, or are under common control with, the Group; (b) associates; and (c) individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the Group and close members of the family of any such individual. In considering each possible related party relationship, attention is directed to the substance of the relationships, and not merely to the legal form.

All related party transactions shall be disclosed to the Group's Audit Committee ("the Committee") of the BOD and all transactions will be reviewed and approved by the Committee to ensure that a conflict of interest does not exist, a proper assessment of such transaction is made, and all necessary information is properly documented. Material related party transaction shall mean any individual related party transaction, or series of related party transactions over twelve (12) months, and with the same related party, amounting to, or exceeding, individually, or in the aggregate, the materiality threshold. Materiality threshold shall mean ten percent (10%) of the total assets of any of the parties to a transaction, based on that party's latest audited financial statements, and if the transaction is a material related party transaction, and one of the related parties is a parent of the other, the total assets shall pertain to the parent's total consolidated assets.

Transactions with related parties pertain mainly to cash advances and reimbursements of expenses.

Outstanding related party balances are generally settled in cash.

The table below shows the details of the Group's transactions with related parties.

The table below shows the details of the Group's transactions with related parties.

Related Party		Advances	Due from Related Parties (Note 8)	Terms	Conditions
Major stockholders	2021	₱405,549,937	₱2,201,175,865	Payable upon demand, noninterest-bearing	Unsecured, no impairment
	2020	₱242,020,657	₱1,745,217,050		
Subsidiaries of major stockholders	2021	35,780,977	185,814,209	Payable upon demand, noninterest-bearing	Unsecured, no impairment
	2020	9,561,270	150,033,232		
Affiliates*	2021	—	63,616,223	Payable upon demand, noninterest-bearing	Unsecured, no impairment
	2020	43,418,939	114,025,101		
Total	2021	₱441,330,914	₱2,450,606,297		
	2020	₱295,000,866	₱2,009,275,383		

Compensation of key management personnel amounted to Php96 million, Php87 million, and Php89 million in 2021, 2020, and 2019, respectively, representing short-term employee benefits.

The Related Party Transactions can be found in Note 20 of the Company's Audited Consolidated Financial Statements for the interim period ended December 31, 2021.

## Customers

WMPC and MPC have secured, or are securing PSAs with various distribution utilities, and are currently moderately contracted. SPPC has no current PSA, but is exploring opportunities for relocating its engines to other locations. Sarangani Energy, on the other hand, has secured 25-year PSAs.

Presented below is a summary of the PSAs of the power plants.

Power Plant/Asset	Off-taker	Location	Contracted Capacity	No. of Years	Start Date	End Date
<b>MPC</b>	Cagayan Electric Power and Light Company (CEPALCO)	Cagayan De Oro	30	10 years	June 24, 2016	June 23, 2026
<b>WMPC</b>	Zamboanga City Electric Cooperative Inc. (ZAMCELCO)	Zamboanga	50	10 years	December 13, 2015	December 12, 2025
	Cagayan Electric Power and Light Company (CEPALCO)*	Cagayan	1	10 years	December 13, 2015	December 12, 2025
	National Grid Corporation of the Philippines (NGCP) – Ancillary Services Procurement Agreement (ASPA)	GRID	50	5 years	April 26, 2019	April 25, 2024
<b>SEC 1</b>	South Cotabato Electric Cooperative II (SOCOTECO 2)	General Santos	70	25	April 29, 2016	April 28, 2041
	Agusan del Norte Electric Cooperative (ANECO)	Agusan del Norte	10	25	April 29, 2016	April 28, 2041
	Agusan del Sur Electric Cooperative (ASELCO)	Agusan del Sur	10	25	April 29, 2016	April 28, 2041
	Davao Del Norte Electric Cooperative, Inc. (DANECO)	Davao del Norte	15	25	October 10, 2019	October 9, 2044
<b>SEC 2</b>	Cagayan Electric Power and Light Company, Inc. (CEPALCO)	Cagayan De Oro	20	25	October 10, 2019	October 9, 2044
	Cotabato Electric Cooperative Inc (COTELCO)	Cotabato City	10	25	October 10, 2019	October 9, 2044
	Davao del Sur Electric Cooperative	Davao del Sur	15	25	October 10, 2019	October 9, 2044

	(DASURECO)					
	Iligan Light and Power Inc. (ILPI)	Iligan City	15	25	April 29, 2016	April 28, 2041
	South Cotabato I Electric Cooperative (SOCOTECO I)	South Cotabato	10	25	October 10, 2019	October 9, 2044
	Zamboanga del Sur I Electric Cooperative Inc (ZAMSURECO I)	Zamboanga del Sur	5	25	October 10, 2019	October 9, 2044
	Zamboanga del Norte Electric Cooperative Inc. (ZANECO)	Zamboanga del Norte	5	25	October 10, 2019	October 9, 2044
<b>SRPI</b>	Zamboanga City Electric Cooperative Inc. (ZAMCELCO)	Zamboanga City	85	25	n/a	n/a

Alto Power Management Corp. (APMC), a partnership between ACR through Conal and Toyota Tshusho Corporation of Japan, engages in power plant management and maintenance operations. Also, APMC International Ltd., a wholly owned subsidiary of APMC, provided operations and maintenance management services to PT Makassar Power Indonesia until April 2016.

The Property Development and other businesses of ACR are not dependent on a single or few customers and the loss of one or a few customers will have no material adverse effect on the Company and its subsidiaries.

## Marketing Process

ACR follows the marketing process for its prospective customers

1. ACR gathers customer data which include demand, supply, load profile, forecasts, suppliers, rates.
2. ACR simulates the technical and commercial/rate impacts of the coming in of its supply. If deemed acceptable, ACR proceeds to the next step.
3. ACR offers supply with the proposed tariff to management and Board of Directors
4. Series of negotiations and meetings with customer/s is conducted
5. ACR undergoes a Competitive Selection Process (CSP)
6. Contract is awarded to the winning bidder.

## Location of the Power Plants

ACR's power plants are strategically located to cater to the power requirements of its key areas in Mindanao.

The first three power plants of ACR, namely WMPC, SPPC and MPC, are strategically located to serve key load centers in Mindanao and provide adequate generation where it is needed most. The long-term Energy Conversion Agreements of these plants assured ACR of a steady revenue stream. Today, ACR continues to operate power plants through bilateral contracts with various distribution utilities.

Mindful of the need to strategically position the baseload plants in key load centers and also recognizing the inherent advantage of expanding in areas where we are already present, the Company decided to establish the Sarangani 210MW Coal-Fired Power Plant of Sarangani Energy Corporation in Maasim, Sarangani and the Zamboanga 105MW Coal-Fired Power Plant of San Ramon Power Incorporated in Zamboanga City. These coal-fired power plants are equipped with the latest state of the art thermal power generation technology.



Beyond the baseload expansion of ACR, the Company is looking towards the future and investing in renewable energy projects. ACR has identified hydropower resources in Mindanao and Negros Occidental that can be implemented under the Renewable Energy Act.

## Properties

The Company's energy and power operations are located in four different sites. WMPC's own power plant is on a 9-hectare property in Sitio Malasugat, Sangali, Zamboanga City. SPPC's operations are conducted on a 16-hectare property located in Alabel, Sarangani Province, and 13 kilometers east of the city proper of General Santos. CHC's Plants 1 and 2, which are operated by MPC, are in an 8-hectare property in the Municipality of Lugait, Misamis Oriental, and in the City of Iligan. WMPC and SPPC fully own their respective properties. The power plants in Lugait, Misamis Oriental and City of Iligan were acquired by

virtue of a Deed of Sale between the City of Iligan and CHC dated February 27, 2013. The lots on which the power plants of CHC are located were acquired by MPC from Alsons Development and Investment Corporation by virtue of the deed of sales dated November 21, 2013. Sarangani Energy Corporation is located in the Municipality of Maasim, Sarangani Province. The real estate assets of KAIEDC are located in Maasim Sarangani Province.

The power assets were used as collateral in various loans, specifically: (1) CHC power plant and the real estate owned by MPC, were used as collateral for loans for the rehabilitation of the MPC power plants; and (2) Sarangani Energy's real estate and coal-fired power plants are mortgaged to its various lender banks.

ALC, the Company's property development company, has properties in the Province of Batangas, in the Municipality of Cabuyao in the Province of Laguna, and along Chino Roces Avenue (formerly Pasong Tamo Extension), Makati City. Its Batangas property currently has residential developments. In addition, ALC owns the property, including the improvement, of Alsons Building, where ACR maintains its corporate headquarters.

The land development of Azuela Cove is located in Lanang Davao City.

All of these properties are in good condition.

#### **Property, Plant and Equipment (Consolidated)**

<i>(Amounts in Thousand Pesos)</i>	<b>December 31, 2021</b>	<b>December 31, 2020</b>
Main Engine, Plant Structures, and Others	P30,911,974	P30,770,855
Plant Mechanical, Switchyard and Desulfurization Equipment	7,270,737	7,244,961
Land, Buildings and Leasehold Improvements	575,761	575,255
Machinery and Other equipment	1,461,411	1,427,079
Construction in Progress	2,673,300	2,065,409
Right of Use	48,953	35,274
Total	42,942,136	42,118,833
Less: Accumulated Depreciation and Amortization	(14,847,299)	(13,323,061)
Net Book Value	28,094,837	28,795,772

#### **Lease Commitments**

On December 1, 2011, the Group entered into a 5 year lease agreement with Alphaland Development Inc. commencing on February 1, 2012 up to January 31, 2017 for office space. Upon expiration, the lease was renewed up to January 2025.

Siguil has several lease agreements for parcels of land to be used in the operations of the power plant. The lease agreements have lease terms of 3-50 years. Siguil paid in advance the lease rentals for the duration of the lease agreements and were capitalized as part of the right-of-use assets. The depreciation expense on the right-of-use assets was capitalized as part of the construction-in progress.

On June 30, 2021, WMPC entered into a 10 year lease agreement with a third party for the easement and pier usage during fuel deliveries.

Set out below, are the amounts recognized in the Company's consolidated statements of income:

	2021	2020	2019
Depreciation expense of right-of-use assets	<b>₱25,098,432</b>	₱11,741,891	₱11,440,263
Interest expense on lease liabilities	<b>1,227,007</b>	1,832,902	2,418,712
Rent expense - short-term leases (Note 23)	<b>1,119,138</b>	1,646,892	1,877,508
	<b>₱27,444,577</b>	₱15,221,685	₱15,736,483

Total cash outflow for leases amounted to P16 million, P14 million and P15 million in 2021, 2020 and 2019, respectively.

Recoverable deposits related to the lease agreement amounted to P5 million and P4 million as of December 31, 2021 and 2020, respectively.

#### **Future Plans to Acquire Properties**

ALC intends to purchase a commercial lot inside Azuela Cove. The acquisition cost around PHP151M, shall be funded through a combination of proceeds from pre-selling and bank loan.

### **Investment Acquisition**

On August 27, 2019, the Board of Indophil Resources Phils, Inc. (IRPI) approved the equity call to all existing shareholders amounting to P52.50 per share. On September 30, 2019, ACR participated and paid IRPI P2,977,452 for the additional 56,715 common shares.

### **Research and Development**

ACR and its subsidiaries do not allocate specific amounts or a fixed percentage for research and development. All research, if any, are done by its subsidiaries and affiliates on a per project basis. The allocation for such activities may vary depending on the nature of the project.

### **Employees**

As of August 31, 2022, ACR and its 50% or more directly or indirectly-owned subsidiaries had a manpower complement of 471 employees, broken down as follows: 41 executives/managers, 138 supervisors and 292 associates. The Company believes that changes in manpower complement will be minimal for the next twelve months. The employees of the Company and its subsidiaries are not unionized. None of the employees are on strike, or have been in the past three (3) years, or are threatening to strike.

## **Future Plans**

The second phase of 105MW of the 210 MW Sarangani Energy power plant has started commercial operations on October 10, 2019. The group is currently building a ₱4.5 billion 14.5 – mega-watt (MW) run-of-river hydroelectric power plant at the Siguil River basin in Maasim, Sarangani Province – the company's first foray into renewable energy. The President of the Philippines personally inaugurated the plant and also attended the launching of the Siguil Hydro Power Corporation's 14.5 MW project. This hydro project is the beginning of ACR's venture into renewable energy projects. The Siguil Hydro power plant is expected to begin commercial operations in the first half of 2023.

On top of the hydroelectric power plant, the Company is also considering putting up a solar farm as well. This solar plant would have a capacity of at least 50 MW, and is estimated to cost less than \$750 per kW.

Another project in the company's pipeline is the ₱16 billion 105-MW San Ramon Power, Inc. baseload coal-fired power plant in Zamboanga City, which is slated to begin operations in 2024.

The Company is also looking to expand operations in Indonesia, particularly in Sulawesi province, because of its proximity to Mindanao, but the plans are still in very early stages.

ACR continues to explore opportunities to relocate the diesel generating assets to Visayas Region. It is expected to have the relocated assets operational by January 2023 and December 2023 respectively.

For the long-term the company is slated to focus on renewables with at least seven more run-of-river hydroelectric plants in various stages of development. The next two hydro facilities in the pipeline are Siayan, a combined 9MW hydro power project and 25MW solar power project in Zamboanga del Norte and the 42 MW Bago Hydro plant in Negros Occidental- the company's first power venture outside of Mindanao.

## **Competition**

A shift in the market forces has prompted a slowdown in sales for the Eagle Ridge Estates. Economic and affordable housing developments of Filinvest, Camella Homes, and Amaia have gained a foothold in the region.

While several power generation companies have either commenced construction of coal-fired power stations or announced plans to build them, Sarangani Energy has secured its position in the market by entering into Power Sales Agreements (PSAs) with various distribution utilities. Having secured the approval of the Energy Regulatory Commission of these PSAs, Sarangani Energy is assured of the market for its capacity.

The diesel power plants of WMPC and MPC are moderately contracted. These plants offer distribution utilities ideal peaking and insurance capacities due to their competitive pricing and proven performance over years of reliable operations. SPPC, on the other hand, has no current PSA, but the Company is exploring opportunities for relocating its engines to other locations. MPC is likewise considering relocating its available unutilized engines to other locations.

List of other Merchant plants

Merchant plants	Capacity (MW)		Owner
	Installed	Dependable	
Therma South, Inc. 1	150	130.0	Aboitiz Power Corporation
Therma South. Inc. II	150	130.0	Aboitiz Power Corporation
Therma Marine, Inc. I	100.3	96.0	Aboitiz Power Corporation
Therma Marine, Inc. II	100.3	96.0	Aboitiz Power Corporation
FDC Misamis Power Corporation (unit 1 & 2)	270	240	FDC Utilities

Company	Description
Aboitiz Power Corporation	<ul style="list-style-type: none"> <li>- Provides hydroelectric power generation</li> <li>- Market cap: 211.928 billion</li> <li>- Therma South, Inc. (TSI), a wholly-owned subsidiary of Aboitiz Power, is the project company of the 300-MW Circulating Fluidized Bed (CFB) coal-fired plant in Toril, Davao City and Sta. Cruz, Davao del Sur. It supplies reliable baseload power to more than 20 electric cooperatives and distribution utilities all over Mindanao</li> </ul>
FDC Utilities	<ul style="list-style-type: none"> <li>- A subsidiary of the Filinvest Development Corporation (FDC)</li> <li>- Offers utility services and focuses on power generation and potential water distribution projects.</li> <li>- Developed the FDC Misamis 3 x 135 MW Circulating Fluidized Bed (CFB) Coal Thermal Plant located in PHIVIDECA Industrial Estate, Villanueva, Misamis Oriental. The power plant has a combined capacity of 405 MW</li> </ul>
SMC Global Power Holdings Corp.	<ul style="list-style-type: none"> <li>- A power generation company and provides a diversified portfolio utilizing a mix of coal, natural gas, and hydroelectric power plants</li> <li>- Total capacity is 2,903 MW representing 22% of the Luzon grid and 17% of the National grid.</li> </ul>

## Competitive Strengths

The key strengths of ACR as compared to competitors are the following:

1. In-depth knowledge of the Mindanao Region
2. Experienced Management Team
3. Expertise in power plant development and operation
4. Enhanced competitiveness and sustainable growth
5. Focused Strategies

### *1. In-depth knowledge of the Mindanao region*

The Alcantara group has been operating in Mindanao for over 60 years engaging in forestry and wood processing, property development, power generation, cement, product distribution, agriculture, aquaculture, insurance, utilities. ACR benefits from this extensive business network by being able to build established relationships and acquire in-depth local knowledge of its operating environment and principal shareholders.

### *2. Experienced Management Team*

One of the strengths of the Company is its seasoned management team. The management team has relevant and extensive experience in the operation and management of power assets both here and abroad. They have deep understanding of the power industry and an extensive experience in the development and operation of greenfield power projects. Through their extensive experience, they have demonstrated successes in raising and negotiating financing for the power projects, and negotiating construction, supply and the offtake agreements. They have also established strong relationships with various stakeholders.

#### **Key Executives**

<b>Key Executives</b>	<b>Profiles</b>
<b>Nicasio I. Alcantara</b> Chairman and President	<ul style="list-style-type: none"><li>• Holds various managing and operating position in the Alcantara group</li><li>• Former Chairman and CEO in Petron Corporation</li><li>• MBA from Sta. Clara University, California, USA</li></ul>
<b>Editha I. Alcantara</b> Director, Vice-Chairman and Treasurer	<ul style="list-style-type: none"><li>• Holds various positions or directorships in Alcantara Group, Philippine Business for the Environment, Miriam College, and Philippine Wood Producers Association</li><li>• MBA from Boston College</li></ul>
<b>Tirso Santillan, Jr.</b> Executive Vice President	<ul style="list-style-type: none"><li>• Over 20 years of experience in the power industry and has been with ACR since 1995</li><li>• Overall head for the power division and overseas existing projects and new investments</li><li>• Previously worked with the First Pacific Group and with Clark Development Corp.</li><li>• Bachelor of Arts degree in Engineering and Masters in Business Management from Ateneo de Manila University</li></ul>



## Key Executives in Power Division



Key Executives in power division	Profiles
<b>Antonio Miguel B. Alcantara</b> Deputy Chief Executive Officer of Power Business Unit	<ul style="list-style-type: none"> <li>• Worked under the business development group's Power Business Unit since 2010.</li> <li>• Bachelor of Science in Business Administration degree major in Finance and Marketing at Northeastern University in Boston, MA.</li> <li>• Master in Business Administration at Babson College, F.W Olin Graduate School of Business in Wellesley, MA where he graduated as Magna Cum Laude</li> </ul>
<b>Joseph C. Nocos</b> Senior Vice President Business Development and Marketing	<ul style="list-style-type: none"> <li>• Over 24 years of experience in the power industry and has been with ACR since 1992</li> <li>• Head of development for all of ACR's power plants in Mindanao and abroad, and markets power to off takers and evaluates new investments.</li> <li>• Bachelor of Arts degree in Economics from Ateneo de Manila University.</li> </ul>

### 3. Expertise in power plant development and operation

ACR has been in the power generation business for more than 25 years, and has demonstrated success in developing, financing and operating power projects both here and abroad. ACR has also established knowledge of the market and strong longstanding relationships with power customers.

### Power Plant Development & Operation

	<p>*From 1992 to 2006, developed and operated the 103MW diesel power plant (then named NMPC) in Iligan City under a BOT arrangement with NPC</p> <p>* Since 2013, reacquired from the Iligan City government and has successfully rehabilitated and restored the diesel power plant to full operation</p>
	<p>* Since 1997, has been operating the 100MW diesel-fired plant in Zamboanga City under a BOO arrangement with NPC</p> <p>* Has historically exceeded the required level of availability as set under the ECA contract of 85%</p>

	<p>* Since 1998, has been operating the 55MW diesel-fired plant in Sarangani Province under a BOO arrangement with NPC</p> <p>* Has historically exceeded the required level of availability as set under the ECA contract of 85%</p>
	<p>*APMC has also provided management or consultancy services to power plants in Vietnam, Pakistan and Indonesia</p>

### Sarangani Energy Corporation

- Project Overview
  - The Sarangani Project is a two-phased coal power project with total rated net capacity of 211.5MW
  - The project is located at the 58-hectare Kamanga Agro-Industrial Economic Zone in Maasim, Sarangani
  - Notice to Proceed (NTP) for Sarangani Phase 1 was issued in January 2013 and COD was achieved in April 29, 2016
  - Limited Notice to Proceed (LNTP) for Sarangani Phase 2 was issued in July 2016 and started commercial operation on October 10, 2019
  - Sarangani is 75% owned by ATEC and 25% owned by TTC
- Technical Overview

PARAMETERS	DETAILS
Gross Capacity	Sarangani Phase 1: 118.5MW Sarangani Phase 2: 118.5MW
Net Capacity	Sarangani Phase 1: 106.8MW Sarangani Phase 2: 106.5MW
Net plant heat rate	Sarangani Phase 1: 10,663.5 kJ/kwh Sarangani Phase 2: 10,435.0 kJ/kwh
Average Availability	88.1%
Coal Storage Capacity	60 days (covered / open)

ACR's new power projects are grounded on:

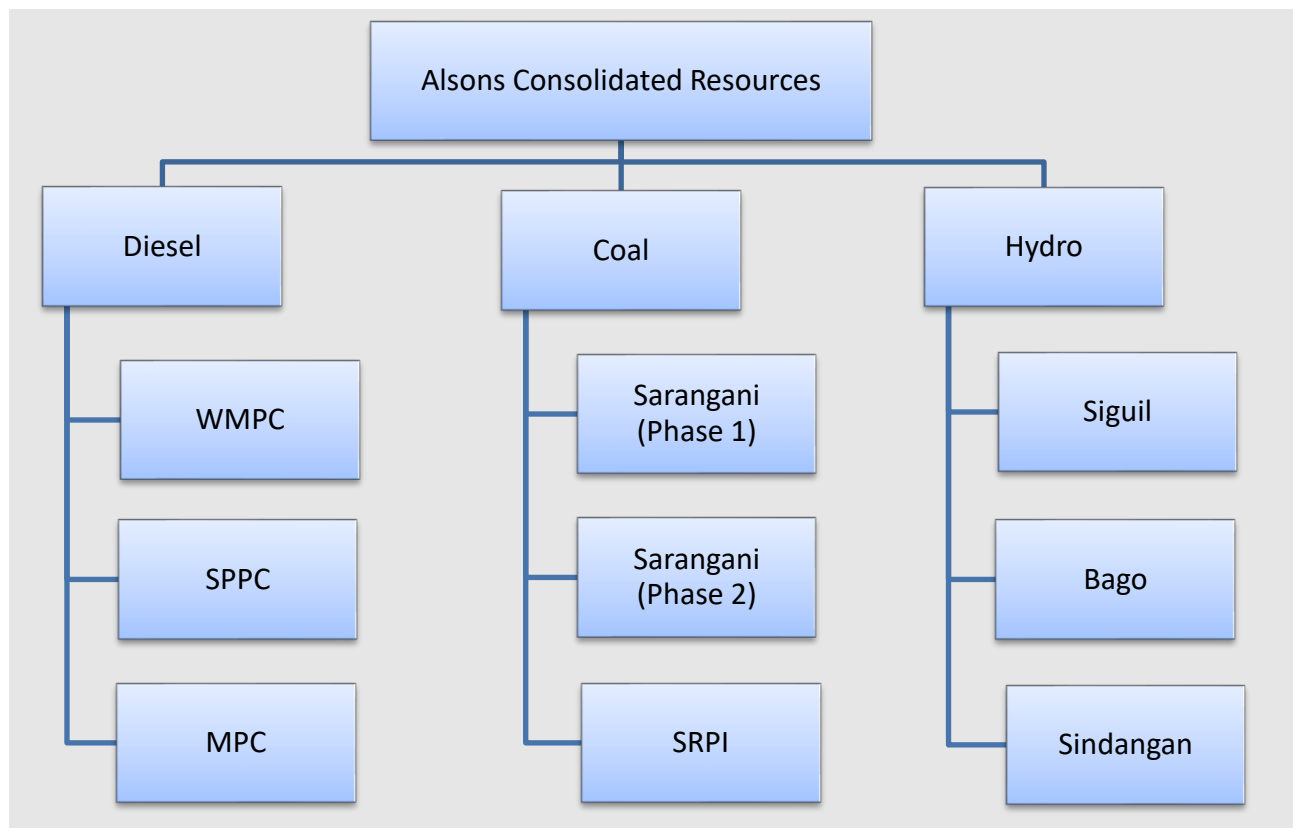
- Committed project sponsors and partners – similar to its existing power plants, ACR and TTC will expand their partnership to the new coal-fired plants

- Project contracts (EPC contract, the Fuel Supply and Transportation Agreement, and the Operation & Maintenance Agreement) that have been crafted in accordance with international project finance standards
- Strong project management support from ÅF Consult, a Finnish engineering company with vast experience in thermal power construction and operation
- Power Supply Agreements mitigating offtake risks
  - Sarangani Phase 1 has PSAs covering 100% of capacity for a tenor of 25 years
  - Sarangani Phase 2 has PSAs covering 76% of capacity for a tenor of 25 years
  - SRPI has signed a 25-year PSA with Zamboanga City Electric Cooperative, Inc. (ZAMCELCO) for 80% of its capacity
- Experienced Operation & Maintenance (O&M) Firm
  - The Sarangani and SRPI plants' O&M will be supervised by PIC Marubeni

#### *4. Enhanced competitiveness and sustainable growth*

ACR's expansion to a balanced generation mix will allow it to:

- Provide a complete power solution to Mindanao grid
- Mitigate fuel-type specific risks such as volatilities in fuel costs and regulatory concerns linked to certain fuel types
- Enhance competitiveness of ACR in the Mindanao Electricity Market
- Diversify revenue and cash flow source



### 5. Focused Strategies

ACR's expansion strategy is driven by the needs of the Mindanao Grid and is supported by long-term offtake agreements.

- 1990s: Intermediate, peaking, and back up
- 2000s: Baseload
- Future: Renewables

ACR will position the diesel plants to perform roles that are not effectively and efficiently served by coal fired power plants.

- Intermediate and peaking capacity
- Back up capacity
- Ancillary service

ACR to develop its pipeline of hydro power projects to round up its generation mix with renewable sources

ACR's expansion will:

- Allow it to provide a complete power solution to the Mindanao grid
- Mitigate fuel-type specific risks such as volatilities in fuel costs and regulatory concerns linked to certain fuel types
- Enhance competitiveness of ACR in the Mindanao Electricity Market

- Diversify revenue and cash flow source.

## **Business Strategy**

- ACR aims to maximize returns from its existing portfolio of oil-fired assets and to capitalize on underserved and growing baseload demand through the development of advanced coal-fired power stations. Management views that growth will be driven according to the needs in relation to the Mindanao grid.
- ACR's existing plants play an important role in the Mindanao grid due to their strategic location, wherein there is great demand for electricity. ACR likewise has the operating versatility in meeting baseload and peak demand requirements in Mindanao.
- ACR highlights that its Bunker C – fired diesel plants will be essential in carrying out ACR's business strategies. It will perform/cover tasks that will not be served by its coal-fired plants. These diesel capacities will be sold to cover intermediate and peaking supply, as well as provision of back-up power and ancillary services.

## **Plans and Programs**

ACR has four (4) operating power plants in Mindanao. Majority of its power plants are Bunker C –fired diesel and coal fuel types, with a total power capacity of about 468 MW in operation. Around 105 MW are still under construction and development. ACR expects its power capacities to further expand once all of its projects are completed,

While other power generation companies have recently entered Mindanao, ACR believes that its reliable and efficient service would be its primary strength to secure long-term PSAs. Sarangani Energy's 210MW coal-fired power plants are located in Maasim, Sarangani Province. Its first section of 105MW began commercial operations in April 2016, while its second section of another 105MW or Phase 2 started commercial operations on October 10, 2019.

The Company likewise began site development and clearing works for SRPI's 105MW coal-fired power plant project, which could supply power to Zamboanga City and other parts of the Zamboanga Peninsula, with commercial operations expected to begin in 2024.

ACR has plans of investing in renewable energy. The Group has identified hydropower resources in Mindanao and Visayas that may be implemented under the Renewable Energy Act. Apart from hydro-powered projects, the group is also looking into solar-power projects in Mindanao and is also planning to participate in the retail electricity supply business.

ACR has also started construction of its first renewable energy project under Siguil Hydro Power Corporation, which will operate a 14.5MW run-of-river electricity generating facility located at the Siguil River basin in Maasim, Sarangani. The construction phase of this project is in full swing and the company expects commercial operations to begin in the first half of 2023.

ACR's plan is to reach a level of balanced generation mix where it can serve the complete power requirements of its customers (i.e. baseload, intermediate, peaking, back-up as well as ancillary). Apart

from enhancing its market position, this strategy, will in turn diversify its revenue mix, as well as minimize potential risks that may arise.

## **Dividends**

Declaration of dividends is subject to approval by the Board of Directors.

Dividends on preferred shares amounting to P4 million in 2021, 2020 and 2019 were applied against the Company's subscriptions receivable from Alsons Corporation.

### **Historical Dividend Declarations**

<u>Year</u>	<u>Date of Declaration</u>	<u>Per Share</u>	<u>Amount</u>	<u>Date of Payment</u>
2022	May 26, 2022	0.020	P125,830,000	July 23, 2022
2021	May 20, 2021	0.020	125,830,000	July 23, 2021
2020	July 9, 2020	0.020	125,830,000	August 4, 2020

#### **Dividend Policy:**

Management continuously endeavors to increase ACR's share value through new projects and expansion programs while at the same time provide yearly dividends to its shareholders. On June 8, 2011, the Board of Directors adopted a dividend policy of annually declaring dividends from 20% of the previous year's unappropriated retained earnings.

Lack of unappropriated retained earnings, due to certain situations such as, but not limited to, allocation of funds for capital expenditures or expansion plans, would limit the ability of the company to pay dividends in the future.

## **Government Approvals and Permits**

### **Effects of Existing or Probable Government Regulations on the Company's Business**

Republic Act No. 9136, the EPIRA of 2001, and the covering Implementing Rules and Regulations (IRR) provide for the significant changes in the power sector which include among others:

- i. The unbundling of the generation, transmission, distribution and supply and other disposable assets, including its contracts with IPP and electricity rates;
- ii. Creation of a Wholesale Electricity Spot Market within one year; and
- iii. Open and non-discriminatory access to transmission and distribution systems.

The law also requires public listing of not less than 15% of common shares of generation and distribution companies within 5 years from the effectivity of the EPIRA. It provides: (i) cross ownership restrictions between transmission and generation companies and between transmission and distribution companies; and (ii) a cap of 50% of its demand that a distribution utility is allowed to source from an associated company engaged in generation except for contracts entered into prior to the effectivity of EPIRA; and

(iii) specifically relating to generation companies, a cap on the concentration of ownership to only 30% of the installed capacity of the grid and/or 25% of the national installed generating capacity. Based on the assessment of management, the operating subsidiaries have complied with the applicable provisions of the EPIRA and its IRR

Corporate Recovery and Tax Incentives for Enterprise (CREATE) which aims to recalibrate to make it more relevant and responsive to the needs of businesses negatively affected by the COVID-19 pandemic, and to improve the ability of the Philippines to attract highly desirable investments that will serve the public interest. The CREATE bill seeks to lower corporate income taxes and to rationalize fiscal incentives.

The corporate income tax will be immediately reduced from the current 30 percent to 20 percent for domestic corporations with total assets not exceeding Php100 million, excluding land, and total net taxable income of not more than Php5 million. The corporate income tax of all other corporations, meanwhile, will be lowered to 25 percent. The bill would also lower the minimum corporate income tax (MCIT) from 2 percent to one percent effectively July 2021 until June 30, 2023.

On the fiscal incentives, the total period of incentives availment has been increased to a maximum of 17 years. The length of the period of incentives takes into account the location and type of the registered activity.

Highly-desirable projects with a minimum investment capital of Php50 billion or those that can generate at least 10,000 employees, can enjoy a superior incentive package for up to 40 years which includes ITH for a maximum of 8 years. The sunset period for existing registered business enterprises (RBE) enjoying Income tax holiday (ITH) can continue to enjoy the same within the remaining ITH period while firms enjoying 5% GIT can continue to enjoy the same for 10 years. Existing RBEs may re-apply for the fiscal incentives under the CREATE bill after the lapse for the sunset period.

Approval of fiscal incentives for new projects or activities with investment capital of P 1 billion and below shall be deleted to their respective Investment Promotion Program Agencies (IPA). Fiscal incentives application for projects or activities with investment capital exceeding P1 billion shall be subject to the approval of the Fiscal Incentives Review Board (FIRB).

Duty exempted on certain importations, VAT exemptions on importations, and VAT zero-rating on local purchases shall still apply.

The reduction of income taxes rates will provide positive impact to existing businesses and attract foreign investors to Kamanga Agro-Industrial Ecozone.

### **Cost and Effect of Compliance with Environmental Laws**

ACR engages only in projects and activities that comply with environmental laws. Its power subsidiaries follow the regulations embodied in the EPIRA. All its plants meet the exhaust emission standards set by Department of Environment and Natural Resources (DENR). Compliance with existing environmental laws has corresponding costs, which include expenditures for the following:

- a. renewal fees for the DENR permit/license to operate;
- b. exhaust emission tests and monitoring (costs covered by the environmental guarantee fund);

- c. environmental monitoring fund (SPPC P500,000 and WMPC P598,000); and,
- d. environmental guaranty fund (SPPC P500,000 and WMPC P508,000).

The Company meets all governmental, environmental, health and safety requirements. The Company's operating units are regularly inspected and have not experienced significant governmental, environment, health or safety problems. For the past three years, the total amounts spent in complying with environmental laws by the subsidiaries are as follows (1) Php 771,967 in 2021; (2) Php 461,176 in 2020; and (3) Php 2,022,841 in 2019.

## **Legal Proceedings**

Southern Philippines Power Corporation ("SPPC"), a subsidiary of the Company, and owner of a diesel-fired power plant, has a receivable from the National Power Corporation ("NPC"), which NPC disputed. The parties brought their dispute to the Energy Regulatory Commission ("ERC") for arbitration. On June 3, 2013, the ERC decided in favor of SPPC, and NPC appealed the ERC decision to the Court of Appeals ("CA"), which affirmed the ERC decision. On August 17, 2015, the CA denied NPC's motion for reconsideration. On September 18, 2015, NPC petitioned the Supreme Court ("SC") to review the ERC and CA decisions. On July 16, 2016, the SC rendered a decision holding NPC liable to pay SPPC for the capacity and other fees arising from the additional 5 MW nominated by SPPC from 2005 to 2010. On November 23, 2016, the SC denied NPC's motion for reconsideration, rendering the ERC decision final. On October 19, 2018, SPPC filed an Urgent Motion to Resolve the pending issue on the NPC's liability for interest and SPPC's motion for issuance of writ of execution against NPC for the payment of the principal amounts owed by NPC to SPPC. On September 6, 2019, SPPC filed with ERC a Manifestation with Urgent Motion to Resolve, praying that the commission: (1) resolve and grant SPPC's Omnibus Motion for Issuance of Writ of Execution and Notice of Garnishment dated July 18, 2018; (2) resolve the issue of NPC's liability for interest in favor of SPPC under the Energy Conversion Agreement. On December 9, 2019, the NPC, through its president and CEO Pio J. Benavidez, signified its agreement to SPPC's waiver of its claims of interest. On December 27, 2019, SPPC filed with the ERC an Omnibus Motion to (a) Resolve and (b) Withdraw claim of interest. On October 14, 2020, the Company filed a Motion to Resolve with the Commission on Audit (COA) requesting to immediately resolve the Petition for Money Claim.

Receivable balances are monitored regularly and allowance provisions are reviewed to ensure limited exposure to bad debts.

Some of the subsidiaries or affiliates of the Company are also from time to time involved in routine litigation as well as various legal actions incidental to their respective operations. However, in the opinion of the Company's management, none of these legal matters, in which its subsidiaries or affiliates are involved, will be material to the Company's financial condition and results of operations.

## **Bankruptcy Proceedings**

The Company has not contemplated any plan for bankruptcy, receivership, or similar proceedings. Neither is there any material reclassification, merger, consolidation, nor sale of any significant amount of assets in the ordinary course of business.

## Market Information

All the common shares of the company are listed in the Philippine Stock Exchange.

The following are the high and low market prices of the Company's shares for the past three years:

### Market Price of ACR Shares

Year		First Quarter	Second Quarter	Third Quarter	Fourth Quarter
2022	High	P1.20	P1.16		
	Low	0.96	0.91		
2021	High	P1.37	P1.40	P1.36	P1.24
	Low	0.61	1.23	1.15	1.03
2020	High	1.37	1.46	1.44	1.49
	Low	0.61	0.83	1.13	1.19
2019	High	P1.58	P1.48	P1.42	P1.34
	Low	1.28	1.36	1.29	1.21

The price of the Corporation's common shares as of September 20, 2022 trading date was PhP0.88 per share.

## Stockholders

As of June 30, 2022, ACR has 6,291,500,000 common shares outstanding. The top twenty (20) stockholders of the Company, as recorded by Prime Stock Transfer Services, Inc., the Company's stock transfer agent, are as follows:

### Stockholders with 500,000 Shares and Above

Name	No. of Shares Held	% to Total
ALSONS CORPORATION	2,592,524,072	41.21%
ALSONS POWER HOLDINGS CORP.	1,249,999,599	19.87%
ALSONS DEVELOPMENT AND INVESMENT CORPORATION	1,188,524,026	18.89%
PCD NOMINEE CORPORATION (FILIPINO)	1,178,447,550	18.73%
PCD NOMINEE CORPORATION (NON-FILIPINO)	51,343,501	0.82%
SEC ACCOUNT NO. 2 FAO: VARIOUS CUSTOMERS OF GUOCO	2,090,000	0.03%
ALL ASIA CAPITAL TRUST & INVESTMENT DIVISION A/C#95-001	1,830,000	0.03%
EBC SECURITIES CORPORATION	1,030,000	0.02%
CRISOSTOMO, EMILY A.	1,000,000	0.02%
CRUZ JR., FELIPE A.	1,000,000	0.02%
GO, NORA T.	1,000,000	0.02%
FIRST INTEGRATED CAPITAL SECURITIES, INC. (555300)	900,000	0.01%
FIRST INTEGRATED CAPITAL SECURITIES, INC. (555200)	795,000	0.01%
ANSALDO, GODINEZ & CO., INC.	755,000	0.01%
GO, GEORGE	750,010	0.01%
AACTC FAO TRINITY INVESTMENT	680,000	0.01%
YAU, ESTEBAN	600,000	0.01%
TIA, ROY C.	513,000	0.01%
S. J. ROXAS & COMPANY, INC.	507,000	0.01%
CO, ANTONIO	500,000	0.01%
MENDOZA, MARITES &/OR ALBERTO MENDOZA	500,000	0.01%
ROQUEZA, RICARDO S.	500,000	0.01%
SAN JOSE, ROBERTO	500,000	0.01%
VEGA, LUIS V. &/OR ELISEO C. OCAMPO JR.	500,000	0.01%

\*percentages were rounded off.

### Submission of Matters to a Vote of Security Holders

During the calendar year covered by this report, no business matter was submitted to a vote of security holders through solicitation of proxies or otherwise other than an election of the Directors.

## Directors and Senior Management

### The Board of Directors

The Company's Board of Directors is responsible for the overall management and direction of the Company. The Board meets regularly or as often as required, to review and monitor the Company's financial position and operations. Each Board member serves for a term of one year or until his successor is duly elected and qualified.

The following are the Directors and Officers of the Company and their business experience for the last five years.

#### Board of Directors

Office	Name	Nationality
Director, President, Chairman of the Board	Nicasio I. Alcantara	Filipino
Director, Vice-Chair and Treasurer	Editha I. Alcantara	Filipino
Director, Executive Vice President, Chief Operating Officer	Tirso G. Santillan, Jr.	Filipino
Director	Tomas I. Alcantara	Filipino
Director	Alejandro I. Alcantara	Filipino
Director	Ramon T. Diokno	Filipino
Independent Director	Jacinto C. Gavino, Jr.	Filipino
Independent Director	Jose Ben R. Laraya	Filipino
Director	Honorio A. Poblador III	Filipino
Director	Arturo B. Diago, Jr.	Filipino
Independent Director	Thomas G. Aquino	Filipino

**Nicasio I. Alcantara**, 79, Filipino, became the Chairman of the Board of Directors Effective March 1, 2021. He previously led ACR as Chairman and President from 1995 to 2001. He was Chairman and Chief Executive Officer of Petron Corporation from 2001 to 2009. He currently holds leadership positions and board directorships in several companies including ACR Mining Corporation where he serves as Chairman and Phoenix Petroleum where he sits as an independent director. He has over 45 years of involvement in both public and private companies, and in diverse industries that include manufacturing, banking and finance, property, information technology, agriculture, power and energy, financial services, agriculture and diversified holdings. Mr. Alcantara is also a director of Seafront Resources Corporation, Philodril Corporation and Site Group International Limited.

He obtained his Business Administration degree from the Ateneo de Manila University and his Master's in Business Administration from Sta. Clara University, California U.S.A.

**Tomas I. Alcantara**, 75, Filipino, became the Chairman of the Board of Directors and the President of the Company in August 2001. On March 1, 2021, Mr. Alcantara retired from his position due health reasons. Upon his retirement, Mr. Nicasio I. Alcantara will assume the position of Chairman and President of ACR. Under Mr. Tomas Alcantara's leadership, the Alcantara Group cemented its position as one of the country's largest diversified Filipino-owned conglomerates - achieving great strides in the fields of agri-business and aquaculture, property development, and power generation.

He holds a Bachelor of Science degree in Economics from the Ateneo de Manila University and a Master's in Business Administration (MBA) from Columbia University, and he attended the Advanced Management Program of the Harvard Business School. He is presently the Chairman of the Board of Directors and President of Alsons Development and Investment Corporation and Sarangani Agricultural Company, Inc., and other companies in the Alcantara Group (since August 2001).

Mr. Alcantara is also the Chairman of the Alsons Adtx Information Systems, Inc. (since August 2001). He is a Trustee of the European IT Service Center Foundation (since August 2002) and of the Foundation for Revenue Enhancement (August 2004). He has been a Director of Holcim Philippines, Inc. since July 2003, Philweb Corporation (May 2002) and DBP-Daiwa Capital Markets Phils., Inc. (July 1995).

Mr. Alcantara served as Undersecretary for the Industry and Investment Group of the Department of Trade and Industry, the Vice Chairman and Managing Head of the Board of Investments from July 1986 to March 1995, and the Special Envoy of the Philippine President to Asia Pacific Economic Cooperation forum in 1996. He was also the Chairman of the Board of Directors and the President of Holcim Manufacturing Corporation (formerly Alsons Cement Corporation) from May 1997 to July 2003 and has served as a Director of that company since 1997. He was a Member of the Advisory Board of Rizal Commercial Banking Corporation (RCBC) from April 1997 to June 2007. Mr. Alcantara served as a Director of Philippine Reclamation Authority (formerly Public Estate Authority) from 2003 to April 2006 and Chairman of the Manila Economic and Cultural Office from March 2001 to August 2010.

**Editha I. Alcantara**, 73, Filipino, has served as a Director of the Company since March 8, 1995. She holds a Business Administration degree from Maryknoll College and an MBA from Boston College. Ms. Alcantara became the President of C. Alcantara and Sons, Inc. in 1992 after serving as the Treasurer of that company. Presently, she is a Director (since 1980) and the Treasurer (since October 2000) of other companies in the Alcantara Group.

She is also a Director of the Philippine Wood Producers Association (since May 16, 1980), and has served as a Trustee for the Philippine Business for the Environment, Inc. since July 1995 and as a Trustee of Miriam College since December 1998.

**Tirso G. Santillan Jr.**, 78, Filipino, became a Director of the Company in June 11, 1996. He has also been the Executive Vice-President since April 27, 1995. He holds a Bachelor of Arts degree in Engineering and a Master's in Business Management degree from the Ateneo de Manila University.

Presently, he heads the Power Business Unit of the Alcantara Group. He has been the Executive Vice-President of Alto Power Management Corporation since January 1996, Conal Holdings Corporation since June 1997, Southern Philippines Power Corporation and Western Mindanao Power Corporation since March 1996. He is also a Director of Sarangani Agricultural Co., Inc. since May 2002.

Additionally, he has been the Managing Partner of Private Capital of Asia Ltd. Since June 1991. Mr. Santillan worked with the First Pacific Group from February 1987 to May 1991.

**Alejandro I. Alcantara**, 67, Filipino, has served as a Director of the Company since July 2003. He graduated from the Ateneo de Davao with a degree in Economics. Mr. Alcantara has been a Director and the President of Aquasur Resources Corporation since 1993 and has served in the same capacity with Finfish Hatcheries, Inc. since 1995. He has also served as the Executive Vice President and General Manager of Sarangani Agricultural Company, Inc. since 1986 and of Alsons Aquaculture Corporation since 1998. He

also became a Director and the Treasurer of the Federation of Cattle Raisers Association of the Philippines from 1997 to December 2009.

**Ramon T. Diokno**, 74, Filipino, rejoined the Company as a Director in March 18, 2009. Previously, he served the Company as a Director from June 19, 2002 to June 29, 2006 and as its Chief Financial Officer from January 16, 2001 to June 30, 2006. He holds an Economics and Accountancy degree from the De La Salle University and a Master's of Science in Management degree from the Massachusetts Institute of Technology.

Mr. Diokno is also the Chief Financial Officer of Lepanto Consolidated Mining Co and its wholly-owned subsidiaries. He is currently also a Director of Alsons Insurance Brokers Corporation.

**Jacinto C. Gavino, Jr.**, 72, Filipino, has served as Independent Director of the Company since May 2005. He has been a full-time Faculty of the Asian Institute of Management (AIM) since 1990 and he presently holds the Fr. James F. Donelan, SJ, Professional Chair Business Ethics. He is on the core faculty of the Washington SyCip Graduate School of Business (WSGSB). He was also the Associate Dean of the Master in Management Program from 1993 to 1995, and Associate Dean for Research from 1995 to 1999.

He is currently a Director of Productronica Holdings, Inc. (2003), Aurotech Corporation (2000), Green Chemicals Corporation (2006), RNuable Energy Corporation (2011) and Sarangani Agricultural Co., Inc. (2005). He also serves as a Trustee of Fundacion Santiago (2002) and the Center for Family Ministries at the Loyola School of Theology (2006). He also does consultancy work for various businesses and non-profit organizations.

Professor Gavino holds a Bachelor of Science degree in Electrical Engineering from the University of the Philippines (1971), a Master in Business Administration degree from the Ateneo de Manila University (1984), and a Doctorate in Public Administration from the University of the Philippines (1993). He also taught in the Ateneo de Manila University, Maryknoll College, and the University of the Philippines.

**Jose Ben R. Laraya**, 82, Filipino, has served as Independent Director of the Company since March 1995. He holds a Commerce degree from De La Salle College and an MBA from the University of the Philippines. He also attended the Advanced Management Program at Harvard Business School. Currently, he serves as Chairman of the Board of Directors of Ultrex Management and Investments Corporation (1992) and Laraya Holdings, Inc. (2007). He also serves as President of Trully Natural Food Corporation (2004), and a Director of La Frutera, Inc. (1997).

Previously, he served as Vice-Chairman of the Philcom Corporation from October 1996 to February 1999, President of National Steel Corporation from September 1980 to February 1989, Dole Asia from February 1989 to June 1992, and APC Group, Inc. from September 1995 to February 1999.

**Honorio A. Poblador III**, 76, Filipino, has served as a Director of the Company since March 8, 1995. He holds a Political Science degree from the Ateneo de Manila University. Currently, he serves as Chairman of the Board of Directors of Asuncion Realty Corporation (since 1995), Chairman of the Board of Directors and President of Asmaco, Inc. and President of Asian Aesthetic Excellence, Inc. and Mayriad Human Resources and Services, Inc.

He is also a Director of Philippine Communications Satellite Corporation, Philippine Overseas Telecommunications Corporation, and Elnor Investment Corp. (since 1983), Philcomsat Holdings

Corporation (1998), the Philodrill Corporation (1997), F&C Realty Corporation and POB Corporation (2003).

**Arturo B. Diago, Jr.** 70, Filipino, became a director of the Company in August 2017 after the resignation of Mr. Nicasio I. Alcantara in July 2017. Mr. Diago has been the Treasurer of Cyan Management Corporation since 1988, Teleperformance, Inc. since 1996, Lacturan Holdings, Inc. since 1997, Mantrade Development Corporation since 2003 and Canlubang Golf Corporation since 2007. Mr. Diago has been the Vice-President-Comptroller of MG Exeo Network, Inc. since 1991. He has been an Executive Vice President and Treasurer of Directories Philippines Corporation since 1989. He served as the Chief Officer for Administrative and Corporate Service of Pilipino Telephone Corporation until December 31, 2000. Mr. Diago served as the President of Lodestar Investment Holdings Corp. since May 2006. He held various positions in the Alcantara Group of Companies involved in manufacturing, marketing and shipping operations. He has been the Vice Chairman of Asian Media Development Group, Inc. since 2003. Mr. Diago serves as a Director of Directories Philippines Corporation and MG Exeo Network Inc., among other corporations. He has been a Director of Alsons Consolidated Resources, Inc. since August 24, 2017. He serves as a Director of Cebuana Lhuillier Bank, Cybersoft Information Technology, Inc., 911 Alarm, Inc. and Vinnell Belvoir Corp. He served as a Director of Lodestar Investment Holdings Corp. from March 10, 2006 to December 2007 and its Globalport 900, Inc. (a/k/a MIC Holdings Corp.). Mr. Diago served as a Director of PLDT Communications and Energy Ventures, Inc. (Former Name: Pilipino Telephone Corporation) from April 24, 1991 to May 9, 2011. He obtained his Master's Degree in Business Management from the Asian Institute of Management and his Bachelor of Science Degree in Commerce from the De La Salle University. He also attended the Strategic Business Economics Program of the Center for Research and Communication (now University of Asia and the Pacific).

**Dr. Thomas G. Aquino**, 73, Filipino, became an Independent Director of the Company in May 20, 2011. He is a Senior Fellow at the Center for Research and Communication of the University of Asia and the Pacific (UA&P). He was formerly the Senior Undersecretary of Philippine Department of Trade and Industry. He supervised the country's foreign trade promotions, trade negotiations under World Trade Organization and the ASEAN Free Trade Agreements as well as bilateral trade talks with the country's major economic trading nations. He served as overall lead negotiator for the country's first free trade agreement, namely the Philippine-Japan Economic Partnership Agreement and was country representative to the High-Level Task Force on ASEAN Economic Integration. For public service, Dr. Aquino was conferred the Presidential Service Award (or Lingkod Bayan) for extraordinary contribution of national impact on public interest, security and patrimony and was recipient of the Gawad Mabini Award with the rank of Grand Cross (or Dakilang Kamanong) for distinguished service to the country both at home and abroad by the President of the Republic of the Philippines.

Before entering public service, Dr. Aquino held important roles in the fields of economics and business in the private sector as Vice President for Business Economics and Director of the Strategic Business Economics Program of UA&P. He returned to private practice as strategy consultant to companies and economic policy adviser to government entities. He is the Chairman of NOW Corporation and Independent Director of a Brown Company, both publicly listed at the Philippine Stock Exchange. He obtained his Doctorate in Management from IESE Business School, University of Navarre (Spain) in 1980, an MS in Industrial Economics from presently the University of Asia and the Pacific in 1972 and an AB in Economics from the School of Economics, University of the Philippines in 1970.

## The Executive Officers

The following Company Executive Officers do not own more than 2% of ACR:

Officer	Name	Nationality
Director, President, Chairman of the Board	Nicasio I. Alcantara	Filipino
Director, Vice-Chair and Treasurer	Editha I. Alcantara	Filipino
Director, Executive Vice President, Chief Operating Officer	Tirso G. Santillan, Jr.	Filipino
Vice President and Chief Finance Officer	Alexander Benhur M. Simon	Filipino
Chief Investment and Strategy Officer	Antonio Miguel B. Alcantara	Filipino
Corporate Secretary	Ana Maria Margarita A. Katigbak	Filipino
Assistant Corporate Secretary, Data Protection Officer and Compliance Officer	Jonathan F. Jimenez	Filipino
Deputy Chief Financial Officer	Philip Edward B. Sagun	Filipino

**Alexander Benhur M. Simon**, 58, Filipino, was appointed as Vice President and Chief Finance Officer of Company on February 1, 2021. Mr. Simon previously served as Chief Finance Officer of Global Business Power Holdings Corporation, a subsidiary of Metro Pacific Group, and SMC Global Power Holdings Corporation, a subsidiary of San Miguel Corporation. Mr. Simon obtained his Bachelor of Science degree in Management Engineering from Ateneo de Manila University and completed his Master of Business Administration from Pepperdine State University in California, USA and Master of Applied Business Economics from the Center for Research and Communication.

**Antonio Miguel B. Alcantara**, 36, Filipino, was appointed as Chief Investment and Strategic Officer of Company on February 1, 2021. He has been the Corporate Planning Officer of the Group since August 2014. He led the acquisition of the 103MW Diesel Fired Power Plant in Northern Mindanao (Mapalad Power Corporation) where he currently serves as Director. Mr. Alcantara has also worked under the business development group's Power Business Unit since 2010. Mr. Alcantara obtain his degree in Bachelor of Science in Business Administration degree major in Finance and Marketing at Northeastern University in Boston, MA. He obtained his Master in Business Administration at Babson College, F.W Olin Graduate School of Business in Wellesley, MA where he graduated as Magna Cum Laude.

**Ana Maria Margarita A. Katigbak**, 53, Filipino, has been the Corporate Secretary of the Company since June 24, 2021, replacing Atty. Roberto B. San Jose. She received her BACL and law degree from the University of the Philippines. She is a member of the Philippine Bar and a senior partner of Castillo Laman Tan Pantaleon and San Jose Law Offices. In addition to serving as a Corporate Secretary for the Company, she also serves as a Director of Mabuhay Holdings Corporation since 2007.

**Jonathan F. Jimenez**, 57, Filipino, was appointed as the Assistant Corporate Secretary of the Company on May 26, 2022. He is a member of the Philippine bar and a Juris Doctor (Law) graduate from the Ateneo de Manila University in 1992. Atty. Jimenez ha a long-standing career of 23 years in the Alcantara Group. He first joined the Alcantara Group in October 1998 where he was Legal Counsel of Lima Land, Inc. for 15 years. In October of 2013, he transferred to Alsons Land Corporation prior to moving to Conal Corporation in March 2014 as Legal Counsel and now serves as the Corporate Secretary of the group's other companies.

**Philip Edward B. Sagun, 46**, Filipino, was appointed as the Deputy Chief Financial Officer of the Company on May 2019. In February 2015, he joined the Alcantara Group as AVP Corporate Finance and Treasury.

Prior to joining the company, Mr. Sagun held important roles in the banking sector as First Vice President for Philippine Bank of Communications. He obtained his Bachelor of Arts degree in Social Science from Ateneo De Manila University and holds a master degree in Finance at the University of the Philippines.

### **Independent Directors**

The following are the Company's Independent Directors. They are neither officers nor substantial shareholders of ACR:

1. Jacinto C. Gavino, Jr.
2. Jose Ben R. Laraya
3. Thomas G. Aquino

### **Significant Employee**

There are no persons other than the Executive Officers that are expected by the Company to make a significant contribution to the business.

### **Family Relationships**

Mr. Nicasio I. Alcantara, Mr. Tomas I. Alcantara, Mr. Alejandro I. Alcantara, and Ms. Editha I. Alcantara are siblings, while Mr. Antonio Miguel B. Alcantara is the son of Mr. Alejandro I. Alcantara.

### **Compensation of directors and executive officers**

A Director's compensation consists of a per diem of P30,000 for every meeting of the Board of Directors' and P15,000 for every meeting of the Executive Committee and Corporate Governance Committee and the Audit Committee.

The aggregate amounts paid by the Company to its Directors and Executive Officers as a group were 3,300,000, 2,973,000 and 2, 850,000 for the years 2021, 2020 and 2019 respectively. For 2022, the Company estimates that it will pay an aggregate amount of 3,600,000 as compensation to its Directors and Executive Officers.

### **Summary of Compensation of Directors and Executive Officers**

<b>Name and Principal Position</b>	<b>Year (With 2022 Estimates)</b>	<b>Salary (Php)</b>	<b>Bonus (Php)</b>	<b>Other Annual Compensation Income (Php)</b>
Nicasio I. Alcantara, Director, Chairman and President	2022	-	-	P240,000
	2021	-	-	P 210,000
	2020	-	-	-
	2019	-	-	-
				-

Tomas I. Alcantara, Director	2022	-	-	240,000
	2021	-	-	405,000
	2020	-	-	225,000
	2019	-	-	165,000
Editha I. Alcantara Director, Vice Chair and Treasurer	2022	-	-	345,000
	2021	-	-	315,000
	2020	-	-	300,000
	2019	-	-	285,000
Tirso G. Santillan, Jr. Director, Executive Vice President	2022	-	-	315,000
	2021	-	-	255,000
	2020	-	-	300,000
	2019	-	-	315,000
Jose Ben R. Laraya Director	2022	-	-	345,000
	2021	-	-	315,000
	2020	-	-	300,000
	2019	-	-	330,000
Ramon T. Diokno Director	2022	-	-	345,000
	2021	-	-	270,000
	2020	-	-	285,000
	2019	-	-	225,000
Alejandro I. Alcantara	2022	-	-	240,000
	2021	-	-	240,000
	2020	-	-	210,000
	2019	-	-	120,000
Arturo B. Diago, Jr.	2022	-	-	240,000
	2021	-	-	240,000
	2020	-	-	210,000
	2019	-	-	180,000
Jacinto C. Gavino, Jr.	2022	-	-	345,000
	2021	-	-	300,000
	2020	-	-	270,000
	2019	-	-	300,000
Honorio H. Poblador, III	2022	-	-	240,000
	2021	-	-	240,000
	2020	-	-	210,000
	2019	-	-	180,000
Thomas G. Aquino	2022	-	-	345,000
	2021	-	-	270,000

	2020	-	-	225,000
	2019	-	-	165,000
All other Officers as a group unnamed	2022	-	-	660,000
	2021	-	-	645,000
	2020	-	-	420,000
	2019	-	-	660,000

Annual Compensation received from ACR consists of per diems given for every attendance in meeting of the Board, Executive Committee, or Audit Committee.

The Company and the Executive Officers are not involved in any of the following transactions:

1. Standard arrangement and any material arrangements;
2. Employment contract (between the registrant and named Executive Officers);
3. Compensatory plan or arrangement;
4. Outstanding warrants or options;
5. Adjustments or amendments on the stock warrants or options.

The members of the Compensation Committee of the Company are as follows:

1. Nicasio I. Alcantara - Chairman
2. Honorio A. Poblador III - Member
3. Jose Ben R. Laraya - Member (Independent Director)
4. Tirso G. Santillan, Jr. - Member

### **Warrants and Options Outstanding**

There are no warrants or options granted by the Company to any of its Directors or Executive Officers.

### **Pending Legal Proceedings**

None of the directors and officers were involved in any bankruptcy proceedings as of June 30, 2022 and during the past five years. Neither have they been convicted by final judgment in any criminal proceedings or been subject to any order, judgment or decree of competent jurisdiction, permanently or temporarily enjoining, barring, suspending, or otherwise limiting their involvement in any type of business, securities, commodities or banking activities, nor found in action by any court of administrative bodies to have violated a securities or commodities law.

### **Significant employees**

There are no persons other than the executive officers that are expected by the Company to make a significant contribution to the business.

### **Voting Trust Holders of 5% or More**

No person holds five percent (5%) or more of the issued and outstanding shares of stocks of the Company under a voting trust or similar agreement.

### **Change in Control**

There are no changes in controlling interest of the Company during the period covered by this report.

### **Certain Relationships and Related Transactions**

During the last three (3) years, the Company was not a party to any transaction in which a Director or Executive Officer of the Company, any nominee for election as a Director, or any security holder owning more than 5% of any class of the Company's issued and outstanding shares and/or his/her immediate family member, had a material interest thereon.

In the normal conduct of business, the following are some of the Company's transactions with its affiliates and related parties disclosed in the audited financial statements.

- I. On October 9, 2015, the Company subscribed to 22 million redeemable preferred shares of Aldevinco, a shareholder of the Company, through a conversion of the Company's advances to Aldevinco amounting to P2.2 billion. The redeemable preferred shares have a par value of P100 per share with cumulative dividend of 4% per annum and are non-participating. The Company accounts for its investment in these redeemable preferred shares as part of AFS investment in the Financial Statements.
- II. On March 21, 2013, Aldevinco and ACIL (collectively referred to as AG) and Ayala Land, Inc. (ALI) entered into a joint venture agreement, wherein ALI would own 60% and AG would own 40% of the outstanding capital stock of a Joint Venture Corporation (JVC), Aviana Development Corporation (ADC), which shall develop the Lanang Landholdings in Davao. On September 17, 2013, ADC was incorporated, and ACR subscribed to, and now owns, 34% of ADC's outstanding capital stock.

There were no transactions to which the Company was a party during the past two (2) fiscal years where a Director, Executive Officer, nominee for Director, or stockholder owning more than 10% of the outstanding shares of the Company had a direct interest.

The Company retains the law firm of Castillo Laman Pantaleon and San Jose for legal services, where Atty. Ana A. Katigbak is a Partner. In 2021 and 2020,, ACR paid this law firm fees of P360,000.00 for each year. No special engagement was made during the years covered. The Company believes that the legal fees are reasonable for the services rendered.

With the Company's issuance of the voting preferred shares, the Company's ultimate parent company is Alsons Corporation or AC, which owns 68.63% of all the common and the preferred shares. The Company's outstanding common shares, which are all listed in the Philippine Stock Exchange, are owned and controlled by the following Companies: Alsons Corporation – 41.21%; Alsons Power Holdings Corporation – 19.87%; and Alsons Development and Investment Corporation – 18.89%.

For further disclosures involving related parties, please refer to i) Item 13 in the SEC Form 17-A Annual Report Year Ended December 31, 2021 page 34-36; and ii) Note 20 of the Company's Consolidated Audited Financial Statements for the year ended December 31, 2021.

## Security Ownership of Certain Record and Beneficial Owners

As of June 30, 2022, the Company knows of no one who beneficially owns in excess of 5% of its common stock except as set forth below:

### Beneficial Owners of Voting Securities

Title of Class	Name and address of Record Owner	Relationship with Issuer	Name of Beneficial Owner and Relationship with record owner	Citizenship	Number of shares held	%age
Common	Alsons Corporation <sup>7</sup> Alsons Building, 2286 Pasong Tamo Ext., Makati City	Affiliate	AC <sup>8</sup>	Filipino	2,592,524,072	41.21%
Common	Alsons Power Holdings Corp. <sup>10</sup> Alsons Bldg., 2286 Pasong Tamo Ext., Makati City	Affiliate	APHC <sup>11</sup>	Filipino	1,249,999,599	19.87%
Common	Alsons Development and Investment Corp <sup>10</sup> Alsons Bldg., 2286 Pasong Tamo Ext., Makati City	Affiliate	ADIC <sup>11</sup>	Filipino	1,188,524,026	18.89%
Common	PCD Nominee Corporation <sup>9</sup> (Fil) 37/F Tower 1 Enterprise Center 6766 Ayala Avenue, Makati City	None	Various <sup>10</sup>	Filipino	1,178,447,550	18.73%

<sup>7</sup> The President and CEO of the Corporation, Nicasio I. Alcantara, is the Chairman of the Board of Directors of the Company.

<sup>8</sup> The respective Board of Directors of each AC, APHC and ALDEVINCO has power to decide how the shares are to be voted..

<sup>9</sup> The PCD Nominee Corporation is not related to the Company

<sup>10</sup> There are no holders of more than 5% of common stock under PCD. The clients of the various PCD participants have the power to decide how the Company's shares are to be voted.

## Security Ownership of Management

The table below shows the securities beneficially owned by all Directors, nominees, and Executive Officers of ACR as of June 30, 2022.

## Security Ownership of Management

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	Percent of Ownership
<b>Directors</b>				
Common	Nicasio I. Alcantara	100	Filipino	0.00%
Common	Editha I. Alcantara	100,000	Filipino	0.00%
Common	Alejandro I. Alcantara	1	Filipino	0.00%
Common	Jacinto C. Gavino, Jr.	1	Filipino	0.00%
Common	Ramon T. Diokno	1	Filipino	0.00%
Common	Jose Ben R. Laraya	100	Filipino	0.00%
Common	Honorio A. Poblador III	100	Filipino	0.00%
Common	Tomas I. Alcantara	1	Filipino	0.00%
Common	Thomas G. Aquino	100	Filipino	0.00%
Common	Tirso G. Santillan, Jr.	1	Filipino	0.00%
<b>Total</b>		<b>100,405</b>		
Common	Nicasio I. Alcantara	100	Filipino	0.00%
Common	Editha I. Alcantara	100,000	Filipino	0.00%
Common	Tirso G. Santillan, Jr.	1	Filipino	0.00%
Common	Roberto V. San Jose	500,000	Filipino	0.00%
<b>Total</b>		<b>600,101</b>		0.00%

## Sales of Unregistered Securities within the last three (3) years

There are no other securities sold for cash by the Company within the last three (3) years that were not registered under the Securities Regulation Code.

## **Corporate Governance**

In compliance with the SEC directive and in view of the ASEAN Corporate Governance Scorecard Assessment, the Company filed its the latest Integrated Annual Corporate Governance Report for 2021. This is compiled and published in the Company website, in compliance with the SEC Memoranda No. 1 and 12, Series of 2014, requiring all publicly listed companies to consolidate all the ACGR updates and changes for the year and label the consolidated changes as “Consolidated Changes in ACGR for (year)”.

### **Evaluation System**

In compliance with Securities & Exchange Commission (“SEC”) Memorandum Circular No 19, Series of 2016, the Company timely and duly adopted a New Manual on Corporate Governance on 24 August 2017. In this New Manual, the evaluation system established by the Company to measure or determine the level of compliance by the Board of Directors and top-level management with its New Manual consisted of: (1) the appointment of a competent compliance officer who monitors, reviews, evaluates and ensures the compliance by the Company, its officers and Directors with the relevant laws, the Code, rules and regulations and all governance issuances of regulatory agencies; (2) the appointment of a competent Chairman of the Board of Directors who makes sure that performance of the Board is evaluated at least once a year and discussed/ followed up on; (3) the constitution of the Executive Committee of the Board of Directors as concurrently the Corporate Governance Committee that (i) oversees the periodic performance evaluation of the Board, its committees, and Management, and conducts an annual self-evaluation of its performance; (ii) ensures that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement; and (iii) evaluates itself in carrying out its evaluation functions. These evaluations take place usually at the end of the year, just before the annual corporate governance that all Directors and Officers attend.

### **Measures Being Undertaken for Compliance**

The Company plans to fully comply with the adopted leading practices on good corporate governance by constantly reviewing such practices as reported in the relevant media, portrayed in the appropriate websites, and revealed in various conferences and seminars regarding such practices. In addition, the Company’s external auditor regularly briefs the Board regarding up-to-date corporate governance practices in other situations, and suggests the adoption of such practices when relevant for the Company.

### **Deviations**

To date, the Company knows of no material deviation from the Company’s New Manual of Corporate Governance.

### **Future Plans for Improvement**

To improve the corporate governance of the Company, it plans to fully adopt another New Manual on Corporate Governance pursuant to the SEC’s Memorandum Circular No 24, series of 2019, which will require the Company to (1) appoint a competent compliance officer who will monitor, review, evaluate, and ensure that the compliance by the Company, its officers and Directors with the relevant laws, the Code, rules and regulations and all governance issuances of regulatory agencies; (2) appoint a competent

Chairman of the Board of Directors who will make sure that performance of the Board is evaluated at least once a year and discussed/followed up on; (3) constitute the Executive Committee of the Board of Directors as concurrently the Corporate Governance Committee that (i) oversees the periodic performance evaluation of the Board, its committees, and Management, and conducts an annual self-evaluation of its performance; (ii) ensures that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement; and (iii) evaluates itself in carrying out its evaluation functions. These evaluations will take place at the end of the year, just before the annual corporate governance that all Directors and Officers attend, and at such other dates at the discretion of the Board of Directors.

## MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

*The following management's discussion and analysis of the Company's financial condition and results of operations should be read in conjunction with the Company's unaudited, interim financial statements as of June 30, 2022 and audited consolidated financial statements for the fiscal years ended 2021, 2020, 2019 including the related notes, contained in this Prospectus. This Prospectus contains forward-looking statements that are based largely on the Company's current expectations and projections about future events and trends affecting its business and operations. The Company cautions investors that its business and financial performance is subject to substantive risks and uncertainties. The Company's actual results may differ materially from those discussed in the forward-looking statements as a result of various factors, including, without limitation, those set out in "Risk Factors." In evaluating the Company's business, investors should carefully consider all of the information contained in "Risk Factors."*

### **Risks related to the Covid-19 pandemic**

COVID-19 Alert Level System refers to the new Community Quarantine Classifications for dealing with COVID-19 covering entire cities, municipalities and/or regions; aimed to manage and minimize the risk of the disease through System Indicators, Triggers and Thresholds determined by the IATF to specify the public health and social measures to be taken in relation to the COVID-19 response, as may be updated based on new scientific knowledge, information about the effectiveness of control measures in the country and overseas, and its application.

The guidelines for the Pilot Implementation of Alert Level System in the National Capital Region was adopted by the IATF and was published on September 13, 2021. The pilot area for implementation of the Alert Level System was expanded to include other provinces, highly urbanized cities, and independent component cities on October 18, 2021.

The general community quarantine (GCQ) was introduced on May 1, 2020 and is generally less stringent than ECQ. The Philippines has extended community quarantine restrictions of varying levels nationwide.

The economic narrative on the COVID-19 outbreak revolves around two causal mechanisms: the impact of the fear factor on behavior, reflected in a decline in demand for travel-related services, discretionary consumption, and the production and regional supply chains. Our power plants continue to deliver the required uninterrupted energy supply. As such, the impact on the business will be minimal.

In light of COVID-19, an Emergency Task Force on COVID-19 was formed to ensure there will be continuity of work in case of lockdown. A selected group of teams is working to handle issues on employees' health and safety, communications, technology support and legal compliance. The team will regularly update the guidelines and ensure the adherence to the same.

## Review as of June 30 2022 vs. June 30, 2021 Operations

### Key Performance Indicator

The following key performance indicators were identified by the Company and included in the discussion of the results of operations and financial condition for the Six Months ended June 30, 2022 and 2021. (Amounts in million pesos, except ratios)

Financial KPI	June 30	
	2022	2021
<b>Profitability</b>		
Revenues	P 5,406	P 4,631
EBITDA	2,288	2,554
EBITDA Margin	51%	55%
Return on Equity	4%	5%
Net Earnings Attributable to Equity Holders	181	267
<b>Efficiency</b>		
Operating Expense Ratio	26%	14%
<b>Liquidity</b>		
Net Debt Coverage	8%	10%
Current Ratio	1.16:1	1.06: 1
Debt-to-Equity Ratio	2.10:1	2.64: 1
Asset-to-equity Ratio	2.59:1	2.90:1
Interest Rate coverage ratio	2.00:1	2.94:1

### Profitability

Earnings before interest, taxes, depreciation, and amortization (EBITDA) margin of the Company decreased during the first half of the year to 51% from the same period last year at 55%. The Company's operating power plants continue to provide the Group's earnings. Return on equity (ROE) remain stable at 4%, slightly down from 5% last year.

### Efficiency

ACR's power facilities operate and continue to provide power to our customers in various parts of Mindanao amidst the continuing threats of the COVID-19 Pandemic. The 210 mega-watt (MW) Sarangani Energy Corporation (SEC) baseload coal-fired power plant in Maasim, Sarangani with both sections delivering electricity to General Santos City, Sarangani Province, Cagayan de Oro, Iligan, Butuan, and other major population centers in Mindanao. The 100 MW diesel plant of the Western Mindanao Power Corporation (WMPC) in Zamboanga City continues to be a major power to Zamboanga City. WMPC likewise provides ancillary services to the National Grid Corporation of the Philippines (NGCP) with dispatchable generating capacity, reactive power support, and black start capability to help stabilize the power grid in the Zamboanga Peninsula (Western Mindanao/Region 9). Also last year, the Company tendered a proposal for the group's Southern Philippines Power Corp. (SPPC) diesel plant in Region 12 or South-Central Mindanao. The outcome of this proposal remains pending. The Company is likewise actively exploring prospective markets for its diesel capacity in areas outside of Mindanao where the demand for power is growing.

The Siguil Hydro Power Plant in Maasim Sarangani is in full swing and is expected to be in commercial operations in the first half of 2023, there are expense items that are not allowed to be capitalized as such the operating expense ratio increased to 26% from 14% in the previous year. The operating efficiency of the power plants is expected to continue in accordance with the plans and budgets.

ACR's cash flows from operations this year remain stable at P1.67 billion from last year's 2.06 billion. The decline was due to payment of trade payables in the first half of the year. The net debt coverage decreased to 2.59% from 2.90% in the previous year while current ratio improved to 1.16:1 from last year's 1.06:1.

## **Results of Operations**

The first half of 2022 showed steady flow of revenues at P5,406 million from last year's 4,631 million. The demand for power in Mindanao has recovered after the lockdown imposed last year due to the Covid-19 Pandemic. We forecast that power demand in Mindanao to be stable for the rest of the year as we recover from the effect of the Pandemic.

Cost of goods sold and services increased significantly from P2,624 million to P3,460 million, this year due mainly to the high cost of fuel. Gross profit margin remains stable at 36% delivering a steady gross profit of P1,945 million for the first half of the year and P2,007 million for the same period in 2021.

General and administrative expenses increased to P403 million from P241 million last year due mainly to higher marketing expenses and one-time settlements of expenses. Most of the Company's personnel are now back to office and some still on a work-from home arrangements to minimize if not totally avoid the covid virus.

Net finance charges for the first half of this year was at P781 million compared to last year's P861 million. The decline is due mainly to the lower interest of the Parent because of lower interest rates and the continuing amortization of maturing debts.

Due to the above variances, the net income is lower at P689 million from last year's P871 million resulting and the net income attributable to the Parent of P181 million from last year's P267 million. Earnings per share were at P0.029 during this period.

## **Review of Financial Position**

ACR and its Subsidiaries continue to post strong balance sheets with total assets of P 47,973 million, a slight increase from the P47,756 million at the end of 2021.

Current assets slightly increased by 5% from P11,204 million to P11,764 million brought about by the higher trade and other receivables and inventories during the period.

Non-current assets slightly decreased from P36,552 million to P36,208 million. The slight decrease is due to the depreciation expense recognized during the period.

Total liabilities amounted to P29,462 million is slightly lower than the P29,804 million reported at the end of 2021. The settlement of trade payables was partly offset by the additional loans payable during the period which was used for the construction of Siguil Hydro power plant project.

As of June 30, 2022, ACR's current ratio improved to 1.16 from last year's 1.06 while Debt to equity ratio decreased to 2.10:1 from 2.64:1 last year.

ACR's consolidated statement of cash flows showed that cash from operating activities is the major source of funding for payment of maturing obligations during the period.

i. Causes of the material changes (5% or more) in balances of relevant accounts as of June 30, 2022 compared to December 31, 2021 are as follows.

- a) Cash and cash equivalents — Increased 30%  
The increase is due mainly to the timing of collection of trade receivables as well as the proceeds of the Commercial Paper sold during the end of June this year that remained unused.
- b) Trade and other receivables — Increased 6%  
The Increase is due mainly to the timing of collections of trade and other receivables during the period.
- c) Spare parts and supplies — Increased 14%  
The increase is due mainly to the acquisition of coal during the period.
- d) d) Prepaid expenses and other current assets — decreased 61%  
The decrease was due to the release of DSRA of SEC during the during the period.
- e) Advances to contractors — increased 47%  
The increase was due to the additional advances made to the Contractor of Siguil Hydro Project during the period.
- f) Contract Asset — Increased 3%  
Contract asset represents asset recognized though the application of PFRS 15. This Accounting Standards simply recognizes the revenues of SEC relative to its Capital Recovery Fee equally over the life of its PSA. Thus, applying the average method in calculating the CRF Revenue. The increment is presented as Contract Asset.
- g) Accounts Payable and Accrued Expenses — Decreased 38%
- h) The decrease was due to the timing of payments during the period.
- i) Loans payable — Increased 27% and Short-term Loans Payable — Increase 82%  
On June 27, 2022, the Company listed P1.265 billion series R and S Commercial Paper with PDS with 6 months and one-year tenor. The proceeds from the issuance which remain outstanding as of June 30, 2022, was for general working capital purposes.
- j) Income tax payable — Decrease 19%  
Timing of payments of income tax payable led to the decrease in this account during the period.
- k) Long-term debt — Decrease 5%  
The decrease was due to the continued amortization of maturing portion of the loan.
- l) Noncontrolling Interest — Increase 9%  
The income recognized representing share of the minority shareholders has led to the increase in this account.

ii. Events that will trigger Direct or Contingent Financial Obligation that is material to the Company, including any default or acceleration of obligation.

Some of the subsidiaries or affiliates of the Company are from time to time involved in routine litigation and various legal actions incidents to their respective operations. However, in the opinion of the Company's management, none of the legal matters in which its subsidiaries or affiliates are involved have material effect on the Company's financial condition and results of operations.

iii. There are no Material Off-balance Sheet Transactions, Arrangements, Obligations (including contingent obligations), and other relationship of the company with unconsolidated entities or other persons created during the period.

## **Review of Current Year 2021 vs. 2020 Operations**

Highlights of the Company's financial performance are as follows:

### **Revenues and Profitability**

ACR and Subsidiaries posted a 6% increase in its consolidated revenues during the year at P10,055 million from the P9,471 million reported in the previous year. The improvement was due mainly to Sarangani's improved operations.

Cost of services increased by 33% at P6,255 million from P4,688 million in 2020 due mainly to the higher fuel cost as well as higher energy dispatched by WMPC in 2021.

General and administrative expenses increased by 27% at Php678 million in 2021 from Php535 million in 2020. The increase was due mainly to the higher taxes and licenses, personnel cost, and bad debt expenses, transportation cost, outside services, and covid-related expenses as a result of easing lockdowns during the year. As a result, operating profit decrease from Php4,248 million to Php3,121 million in 2020. The last year's income includes the one-time recognition of revenue loss compensation charged to EPC contractor of Sarangani 2 as a result of the delay in completing the Plant.

The Company continues to post strong earnings before interest, taxes, depreciation and amortization (EBITDA) registering Php4,709 million in 2021, albeit 22% lower than last year's Php6,061 million. The last year's revenue includes "the revenue loss compensation" paid by JGC for the delay in the completion of Sarangani 2 Plant. The resulting EBITDA margin is 47% from 64% from last year.

Meanwhile, finance charges decrease by 19% from P2,111 million in 2020 to P1,717 million in 2021. The decrease was due to the settlement of maturing loans of Sarangani during the year. Interest income on the other hand decrease by 61 % from million income earned in 2020 to P1 6 million this year. The decrease was due mainly to lower interest rates on placements during the year which is below 1% on the average.

Equity in net earnings coming from the Company's share in Aviana Development Corp. posted higher results in 2021 of P72 million from P64 million in the previous year due mainly to the improved performance of the Company.

The Company's negative Other Income of P7 million is lower in 2021 from P81 million in 2020 due mainly to lower foreign exchange loss as a result of stronger Peso during the year.

As a result of the foregoing, the consolidated net income posted steady result of P1,321 million. The income attributable to Parent of P405 million is 24% better than last year's P325 million posting an earnings per share of P0.064 from P0.051 last year.

## Financial Position

ACR and Subsidiaries posted a 6% increase in its consolidated revenues during the year at P10,055 million from the P9,471 million reported in the previous year. The improvement was due mainly to Sarangani's improved operations.

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## Key Performance Indicator

The Company's operations for the year ended December 31, 2021 showed stable gross profit at P4,783 million compared to last year's P2,556 million. KPI of the Company are as follows: (Amounts in million pesos, except ratios).

Financial KPI	Calendar Year	
	2021	2020
<b>Profitability</b>		
Revenues	P10,055	P9,471

EBITDA	4,709	6,061
EBITDA Margin	47%	64%
Return on Equity	7%	12%
Net Earnings Attributable to Equity Holders	P405	P325
<b>Efficiency</b>		
Operating Expense Ratio	22%	13%
<b>Liquidity</b>		
Net Debt Coverage	2.32:1	2.78:1
Current Ratio	1.18:1	1.06:1
Debt-to-Equity Ratio	1.71:1	1.88:1

### **Profitability**

The earnings before interest, taxes, depreciation and amortization ("EBITDA") of the Company decreased from Php6,061 million in 2020 to Php4,709 million in 2021. The last year's revenue includes "the revenue loss compensation" paid by JGC Corporation for the delay in the completion of Sarangani Energy Corporation ("Sarangani") Phase 2 Plant. The resulting EBITDA margin is 47% in 2021, lower from 64% from last year.

Return on equity was also down from last year's 12% to 7% this year while the net income attributable to the equity holders of the parent improved to Php405 million from last year's Php325 million. All of the operating power plants continue to deliver positive results in spite of the COVID- 19 lockdowns.

### **Efficiency**

The Company's operating expense ratio increased to 22% in 2021 from 13% in 2020. The operating power plants continue to improve their operating performance during the year.

### **Leverage and Liquidity**

The continued amortization of Sarangani's project loan which is partly offset by the additional short-term debts obtained by the Parent Company for the construction of Siguil Hydro Project resulted in financial debt decreased slightly by 0.7%. Consequently, net debt coverage ratio decreased to 11% from last year's 13%.

Current ratio on the other hand increased to 1.18: 1 from last year's 1.06: 1 due mainly to the higher balance of trade receivables and coal inventory.

### **Material Changes in Consolidated Balance Sheet Accounts by 5% or More**

1. Cash and cash equivalents, 6% Increase and Short-term investments, 6% Increase

The decrease in cash and cash equivalents (2021: P2,864 million vs. 2020: P2,703 million) was due mainly to the cash generated from operations of the Power Companies as well as additional short-term borrowings of the Parent Company which were used for the construction of Siguil Hydro Power Plant which is expected to begin commercial operations in the first half of 2023.

2. 2. Trade and other receivables, 24% Increase

The increase was due to the timing of collection of trade receivables during the year. The Company has provided financial reliefs to certain electric cooperatives and distribution utilities as a response to the effect of the COVID-19 pandemic. These relief measures included restructuring of existing receivables and extension of payment terms.

3. Spare parts and supplies, 81% increase

The increase was due mainly to the higher cost of coal inventories.

4. Noncurrent Portion of Trade Receivables 93% decrease

The decrease was due to the collections made during the year. In 2020, the Company provided financial reliefs to certain electric cooperatives and distribution utilities as a response to the effect of the Covid-19 Pandemic.

5. Investment in Real Estate, 69% increase

The increase was due mainly to the additional lots acquired by KAIEDC for the expansion of the covered area of the Ecozone Industrial Estate.

6. Advances to Constructors, 59% Decrease

The decrease was due to the reclassification to Construction-in Progress of the Completed portion of Sta. Clara's construction works for Siguil's hydro power plant and KAIEDC property transferred to its name during the year.

7. Property, Plant and Equipment, 2% Decrease

The decrease is due mainly to the depreciation expense recognized on SEC 1 and 2 during the year which is partly offset by the additional project cost incurred for the Construction of Siguil Hydro power plant.

8. Accounts payable and other current liabilities, 17% Decrease

The decrease was due to the conversion of liability to GBPC to non-controlling interest amounting to P1,880 million. This was partially offset by the unpaid purchases of coal during the months of November and December 2021.

9. Loans payable, 14% increase and short-term notes payable, 118% Increase

The increase in loans payable was due to additional loans availed during the months of November and December 2021 while the increase in notes payable represents additional commercial paper issuances in July and November 2021.

10. Income tax payable. 19% Increase

The increase was due to the higher taxable income earned during the year by all operating power Companies.

11. Lease Liability, 300% Increase

The increase was due to the recognition of additional lease obligations during the year.

12. Current Portion of Long-term Debt, 22% Increase. Long-term debts — net of Current portion, 8% Decrease

The variances were due to recognition and settlement of maturing principal during the year.

13. Deferred Credit 100% increase

The increase is due to the portion of Join Credit Mechanism (JCM) grant received by SHPC during the year. As a background, SHPC entered into a grant agreement with Toyota Tsusho Corp. (TTC) and Ministry Environment of Japan (MEJ) in 2029. The Conditions attached to the grant are as follows:

- Construction of hydro power plant
- 50% carbon credits to be delivered to MEJ from start of operation and 22 years thereafter
- The MOA between SHPC and TTC requires SHPC to have an agreed PSA with SOCOTECO 11 or any other offer taker.

## **Review of 2020 vs. 2019 Operations**

Highlights of the Company's financial performance are as follows:

### **Revenues and Profitability**

ACR and subsidiaries posted a 39% increase in its consolidated revenues during the year at P9,471 million from the P6,796 million reported in the previous year. This improvement was due mainly to Sarangani Energy's full year of commercial operations which started on October 10, 2019.

Cost of services increased by 11% at P4,687 million from P4,237 in 2019 due mainly to the cost associated to Sarangani Energy's II operations as well as higher energy dispatched by the WMPC in 2020.

General administrative expenses were down by 10% at P535 million from P598 million in 2019. The decrease was due mainly to the lower transportation cost, outside services and marketing expenses as a result of lockdown brought about by Covid 19 Pandemic. As a result, operation profit improved significantly from P1,958 million to P4,248 million in 2020.

Earnings before interest, taxes, depreciation and amortization improved from P3,081 million to P6,061 million this year as a result of full year operations of Sarangani Energy's II resulting to higher EBITDA margin of 64% from last year's 45%.

Meanwhile, finance charges increase significantly by 95% from P1,081 in 2019 to P2,111 million. The interest on project loan availed for Sarangani Energy's II are now expensed while in 2019 there were capitalized as part of project cost up to the time the Company declared commercial operations.

The Company's negative Other Income of P81 million is higher in 2020 from P25 million in 2019 due mainly to an impairment loss of goodwill associated to SPPC amounting to P115 million.

As a result of the foregoing, the consolidated net income posted significant increase from P974 million in 2019 to P1,868 million in 2019. The income attributable to Parent is 120% better than that of last year's P248 million to P325 million this year and posting an earnings per share of P0.051 from P0.023 last year.

### **Financial Position**

As of December 31, 2020, total resources of ACR and Subsidiaries remained strong at P46,415 million, increased by 2% versus the P45,609 million level reported in 2019.

Current assets posted a light increase from P8,840 million in 2019 to P9,393 million this year. The increase came largely from higher trade and other receivables. In 2020, the Company has provided financial reliefs to certain electric cooperatives and distribution utilities as a response to the effect of the Covid 19 pandemic. These relief measures included restructuring of existing receivables and extension of payment terms. Noncurrent assets slightly decreased by 1% due mainly to the recognition of depreciation expenses on the Company's property, plant and equipment and partly offset by the cost incurred for the cost of Siguil's plant which is currently under construction.

Current liabilities decreased significantly by 27% from P12,051 million to P8,847 million, largely on account of refinancing the Company's Fixed Rate Corporate Note (FRCN) in December 2020 as well as lower short-term notes payable. Noncurrent liabilities, on the other hand, increased by 17% due to the reclassification of above maturing loan and partly offset by the additional decommissioning liability related to Sarangani Energy's II.

ACR posted a current ratio of 1.06:1 for 2020 as compared to 0.73:1 in 2019 mainly due to the decrease in currently liabilities as a result of refinancing of the Company's FRCN loan.

Net cash inflows from operating activities remain stable and continue to be the source of payment of maturing obligations and trade payables. Net cash used for investing activities decreased from P3,083 million to P2,018 million this year due mainly to the completion of Sarangani Energy's II in October 2019. This year's capital expenditures focused mainly on the construction of Siguil Hydro Power Plant project. Net cash outflows from financing activities amounted to P3,693 million is significantly higher than the P33 million in 2019 due mainly to the payment of long-term debt. The total available funds of P8,414 million in 2020, from which P2,205 were used for power plant project construction during the year. The net cash balance after accounting for the above changes reached P2,703 million, slightly lower than the P2,815 million in the previous year.

### **Key Performance Indicator**

The Company's operation for the year ended December 31, 2020 showed stable gross profit at P4,783 million compared to last year's P2,556 million. KPI of the Company are as follows:

Financial KPI	Calendar Year	
	2020	2019
<b>Profitability</b>		
Revenues	P9,471	P6,796
EBITDA	5,889	3,199
EBITDA Margin	63%	47%
Return on Equity	12%	7%
Net Earnings Attributable to Equity Holders	P325	148
<b>Efficiency</b>		
Operating Expense Ratio	13%	29%
<b>Liquidity</b>		
Net Debt Coverage	26%	10%
Current Ratio	1.06:1	0.73: 1
Debt-to-Equity Ratio	1.88:1	2.82: 1

### Profitability

The EBITDA of the Company increased from P3,081 million to P6,061 million due mainly to the full year operations of Sarangani Energy's and improved performances of Sarangani Energy's I and WMPC. EBITDA margin significantly improved from 47% in the previous year to 63% this year as a result of higher income.

ROE was also up from last year's 7% to 12% this year while the net income attributable to the equity holders of the parent increased significantly to P325 million from last year's P148 million. The second section of Sarangani Energy's started commercial operations on October 10, 2019 and now in full year operations contributing P4,172 million in total revenues during the year.

### Efficiency

The Company's operating expense ratio decreased to 13% in 2020 from 29% in 2019. The full year commercial operations of Sarangani Energy's II and improved operations performance of the Company's operations led to the decrease in operating expense ratio.

### Liquidity

As a result of additional loan obtained by the Parent Company for the construction of Siguil Hydro project, financial debt increased by 8%. Consequently, net debt coverage ratio decreased to 11% from last year's 13%. Current ratio on the other hand increased to 1.06:1 from last year's 0.73:1. The Company has successfully refinanced its FRCN in December 2020.

### Material Changes in Consolidated Balance Sheet Accounts by 5% or More

14. Cash and cash equivalents, 4% Decrease and Short-term investments, 42% decrease.  
The decrease in cash and cash equivalents (2020: P2,703 million vs. 2019 P2,814) was due to the usage of cash for the construction of Siguil Hydro and payment of dividends. Siguil is expected to be completed and to commence commercial operations in the first half of 2023.
15. Trade and other receivables, 22% increase

The increase was due to the timing of collection of trade receivables during the year. The Company has provided financial reliefs to certain electric cooperatives and distribution utilities as a response to the effect of the Covid 19 pandemic. These relief measures included restructuring of existing receivables and extension of payment terms.

16. Spare parts and supplies, 30% increase  
The increase was due mainly to the coal inventory for Sarangani Energy's II who is now on full year commercial operations.
17. Prepaid expenses and other current assets, 12% decrease  
The decrease was due to the lower interest reserve account of Sarangani Energy required for its loan facility used for the construction of Sarangani Energy's II and the application of available creditable withholding tax against income tax due for the year.
18. Advances to constructors, 9% decrease  
The decrease was due to the offsetting of advances against payable on Sarangani Energy's II payables which was partly offset by the advances made for the construction of Siguil which began construction in 2019 and target completion in the first half of 2023.
19. Contract asset, 35% increase  
The contract assets represent asset recognized through the application of PFRS 15. This accounting standards simply recognizes the revenues of SEC relative to its Capital Recovery Fee (CRF) equally over the life of its PSA. Thus, applying the average method in calculating the CRF revenue. The increase during the year is attributable to Sarangani Energy's II recomputation.
20. Goodwill, 14% decrease  
The Company recognized impairment loss amounting to P115 million in 2020 due to the decline in recoverable amount and no impairment loss was recognized on goodwill in 2019.
21. Accounts payable and other current liabilities, 14% increase  
The increase was unpaid dividends at the end of the year and the refundable deposit for the lot be acquired by a certain customer during the year.
22. Loan payable, 1,131% increase and short-term notes payable, 45% decrease  
The increase in loans payable was due to additional availment during the year used for the construction of Siguil while the decrease in short-term notes payables which was a negotiable commercial paper registered with the Securities and Exchange Commission was due mainly to settlement made during the year.
23. Income tax payable, 7% increase  
The increase was due to the higher taxable income earned during the year. The major portion of this increase is attributed to Sarangani Energy's II which is currently on its first full year of commercial operations.
24. Lease liability, 89% decrease  
The decrease was due to payment of lease during the year
25. Current portion of long-term debt, 76%

Long-term debt – net of Current portion, 17% increase

The refinancing of the Company's FRCN in December 2020 led to the decrease in current portion of long-term debt at the same time increase in the long-term debt. This same note was recognized as current in 2019.

26. Deferred tax liabilities, 9% increase

The increase was due to the recognition of additional contract asset related to Sarangani Energy's II.

## **Review of Current Year –2019 vs. 2018 Operations**

Highlights of the Company's financial performance are as follows:

### **Revenues and Profitability**

ACR and Subsidiaries posted a slight increase in its consolidated revenues during the year at P6,796 million, a 2% improvement from the P6,666 million reported in the previous year. This improvement was due mainly to SEC 2's commercial operations which started on October 10, 2019. It generated 186,609 megawatts of power during the year.

Cost of services decreased by 9% at P4,237 million from P4,673 million in 2018. The decrease was due mainly to the lower cost of fuel, lower energy dispatched by the diesel plants and the delay in SEC 2's commercial operations.

General and administrative expenses increased by 23% at P598 million from P487 million in 2018. The increase was due mainly to the expenses recognized by SEC 2 s well as those of Siguil Hydro Power Corporation which began construction in the 3rd quarter of 2019 and expected commercial operations by the first half of 2023. Operating profit also improved by 31% at P1,959 million from P1,499 million reported in the previous year.

Earnings before interest, taxes, depreciation and amortization (EBITDA) improved from P2,698 million to 3,081 million this year. The EBITDA margin is higher at 45% this year versus the 40% earned in 2018. The improvements were due mainly to the revenue contribution of SEC 2 and the better performance of WMPC.

Meanwhile, finance charges decreased by 9% from P1,186 million to P1,084 million. The partial pre-payment by ACR Parent debt in April 2018 amounting to P1billion and amortization of SEC 1 project loans, caused the decrease in interest expense. The interest incurred for SEC 2 was capitalized as part of project cost up to the time it declared commercial operations.

The Company realized Other Income of P164 million from P390 million in 2018. The Company recognized a dividend from its investment in preferred shares amounting to P264 million in 2018 which is partly offset by higher equity in net earnings from an associate of P71 million in 2019, from P33 million last year. The issuer of the preferred shares did not declare dividend this year. However, the feature of this preferred shares is cumulative and therefore the Company will recognize the dividend in arrears when declaration is made in the future.

As a result of the foregoing, the consolidated net income posted a better performance of P974 million in 2019, 73% better than the P563 million in 2018. The income attributable to Parent is 58% better from last year's P94 million to P148 million this year and posting an earnings per share of P0.023 from P0.014 last year.

## Financial Position

As of December 31, 2019, total resources of ACR and Subsidiaries remained strong at P45,609 million, increased by 5% versus the P43,492 million level reported in 2018.

Current assets posted a 0.7% decrease, from P8,904 million to P8,840 million. The decrease came largely from the use of cash and cash equivalents for the construction and completion of SEC 2. Siguil Hydro Power Plant likewise began construction during the year. Noncurrent assets rose by 6%, mostly on the capital expenditures incurred for the completion of the construction of SEC 2 and Siguil.

Current liabilities increased significantly by 92% from P6,280 million to P12,051 million, largely on account of higher current portion of long-term debt. The first tranche of Company's Fixed Rate Corporate Note (FXCN) which will mature in December 2020 has been recognized as current during the year. The Company is currently working on refinancing this maturing obligation. Noncurrent liabilities, on the other hand, decreased by 18% due to the reclassification of above maturing obligation and partly offset by the recognition of additional decommissioning liability related to SEC 2.

ACR posted a current ratio of 0.73:1 for 2019 as compared to 1.42:1 in 2018 mainly due to the reclassification of its maturing obligation. The Company is already in discussion with the existing lenders for the refinancing and majority has obtained management clearance to refinance the same.

Net cash inflows from operating activities remain stable and continue to be the source of payment of maturing obligations and trade payables. Net cash used for investing activities decreased from P5,310 million to P3,083 million this year due mainly to the completion of SEC 2. Net cash inflows from financing activities amounted to -P33 million in 2019, largely coming from loan availments of P5,324. These were used mainly for debt servicing and dividend payments. The net cash balance after accounting for the above changes reached P2,815 million, 19% lower than the P3,474 million in the previous year.

## Key Performance Indicators (KPI)

The following key performance indicators were identified by the Company and included in the discussion of the results of operations and financial condition. The Company's operations for the year ended December 31, 2018 showed stable gross income at P2,559 million compared to last year's P1,993 million. KPI of the Company are as follows: (Amounts in million pesos, except ratios).

Financial KPI	Calendar Year	
	2019	2018
<b>Profitability</b>		
Revenues	P6,796	P6,666
EBITDA	3,081	2,698
EBITDA Margin	45%	40%
Return on Equity	7%	4%

Net Earnings Attributable to Equity Holders	148	94
<b>Efficiency</b>		
Operating Expense Ratio	29%	32%
<b>Liquidity</b>		
Net Debt Coverage	11%	13%
Current Ratio	0.73: 1	1.42: 1
Debt-to-Equity Ratio	2.82: 1	2.62: 1

### **Profitability**

The earnings before interest, taxes, depreciation and amortization (EBITDA) of the Company increased from P2,695 million to P3,152 million in 2019 due mainly to the improved performances of SEC and WMPC. EBITDA Margin was also up from 40% in the previous year to 45% this year as a result of higher income.

Return on equity (ROE) was also up from last year's 4% to 8% this year while the net income attributable to the equity holders of the parent increased significantly to P148 million from last year's P94 million. The second section of SEC started commercial operations on October 10, 2019 contributing P1,046 million in total revenues during the year.

### **Efficiency**

The Company's operating expense ratio decreased to 29% in 2019 from 32% in 2018. The continued operating performance of the Company's operations led to the decrease in operating expense ratio.

### **Liquidity**

As a result of additional project loan drawdown for the completion of Sarangani Energy section 2 during the year, financial debt increased by 8%. Consequently, net debt coverage ratio decreased to 11% from last year's 13%. Current ratio on the other hand decreased to 0.73:1 from last year's 1.42:1. The first tranche of Company's Five-Year Fixed Rate Corporate Note (FXCN) which matures on December 2020 has been recognized as current during the year. The Company is currently working on the refinancing of this maturing obligation and majority of the noteholders have signified their concurrence.

### **Material Changes in Consolidated Balance Sheet Accounts by 5% or More**

1. Cash and cash equivalents, 19% Decrease and Short-term investments, 31% decrease

The decrease in cash and cash equivalents (2019: P2,815 million vs. 2018: P3,475 million) was due to the usage of cash for the completion of the SEC 2 power plant as well as the on-going construction of Siguil Hydro Power Plant. SEC 2 has started commercial operations on October 10 while Siguil is expected to be completed to commence commercial operations in the first half of 2023.

2. Trade and other receivables, 22% Increase

The increase was due to the timing of collection of trade receivables during the year.

3. Spare parts and supplies, 6% decrease

The decline was due mainly to the lower coal consumption of Sarangani Energy Corporation during the year.

4. Prepaid expenses and other current assets, 12% Increase

The increase was due to the higher interest reserve account of Sarangani Energy Corporation required for its loan facility used for the construction of SEC 2.

5. Advances to Constructors, 306% Increase

The increase was due to the additional advances made during the year for our first renewable energy project that began construction in 2019 and target completion in 2022.

6. Property, plant and equipment, 7% Increase

The increase is due mainly to expenditures incurred for the completion of SEC 2 power plant.

7. Contract Asset, 5% Increase

The Contract asset represents asset recognized through the application of PFRS 15. This Accounting Standards simply recognizes the revenues of SEC relative to its Capital Recovery Fee equally over the life of its PSA. Thus, applying the average method in calculating the CRF Revenue. The increment is presented as Contract Asset.

8. Deferred Financing Cost, 100% Decrease

The decrease was due to reclassification of SEC 2 financing costs into property plant and equipment account.

9. Deferred Tax Assets, 75% Increase

The increase is due largely to the deferred tax impact of the additional recognized contract assets.

10. Accounts payable and other current liabilities, 4% Decrease

The decrease was due mainly to the payment of dividend declared by Sarangani Energy in the previous year.

11. Loans payable and short-term notes payable, 285% Increase

The short-term notes payable represents negotiable commercial paper registered with the Securities and Exchange Commission of the Company, which security is listed in the Philippine Dealing System (PDEX). The increase was due mainly to the additional issuance during the year.

12. Income tax payable, 571% Increase

The increase was due to the higher taxable income earned during the year.

13. Current Portion of Long-term Debt, 397% Increase

Long-term debts – net of Current portion, 19% Decrease

The first tranche of Company's Five-Year Fixed Rate Corporate Note (FXCN) which matures on December 2020 has been recognized as current during the year. The Company is currently working on the refinancing of this maturing obligation and majority of the noteholders have signified their concurrence.

14. Deferred Tax Liabilities, 16% Decrease

The decline in deferred tax liabilities was due to the increase capitalized interest of the SEC 2 Power Plant which is under construction during the year.

**Other Required Disclosures**

There are no events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unsolicited entities or other persons created during the reporting period.

There are no material commitments for capital expenditures.

There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.

There are no significant elements of income or loss that did not arise from the registrant's continuing operations.

There are no seasonal aspects that had a material effect on the financial condition or results of operations.

## External Audit and Fees

1. SyCip Gorres Velayo & Co. has been the Company's external auditor for the last three fiscal years. SGV has not expressed any intention to resign as the Company's principal public accountant nor has it indicated any hesitance to accept re-election after the completion of their last audit.
2. In compliance with SEC Memorandum Circular No. 8 Series of 2003 on rotation of External Auditors, SGV's previous engagement partner was replaced in 2014.
3. There has been no disagreement with SGV & Co. on accounting principles or practices, financial statements disclosures, auditing scope or procedures, which disagreements, if not resolved to their satisfaction, would have caused them to make reference thereto in its respective reports on the Company's financial statements for the abovementioned years.
4. The Company has maintained SGV as its principal public accountant to audit the financial statement for the last fiscal year. SGV has not expressed any intention to resign as the Company's principal public accountant nor has it indicated any hesitance to accept re-election after the completion of their last audit.

## Members of the Audit Committee

Listed below are the members and officers of the Company's Audit Committee:

### Company's Audit Committee

Office	Name
Chairman	Jose Ben R. Laraya
Member	Editha I. Alcantara
Member	Jacinto C. Gavino, Jr.
Member	Thomas G. Aquino
Member	Ramon T. Diokno

## External Audit and Audit-Related Fees

Fees for the years ended December 31, 2021, 2020 and 2019 were P550,000 for each year. The above fees are for the audit of the Company's annual financial statements or services normally provided in connection with statutory and regulatory filings or engagements. The fees and services were approved by the Audit, Risk Oversight, and Related Party Transaction Committee (Audit Committee) in compliance with the Code of Corporate Governance for Publicly Listed Companies.

### Brief Summary for the Approval of the Auditor's fees

The Audit Committee pre-approves all audit plans, scope, and frequency before the conduct of its external audit. Moreover, pursuant to its mandate, it likewise performs interface functions with both internal and external auditors.

The External Auditor confers and discusses with the Internal Auditors of the Company the auditing process adopted and methodologies used in compliance with International Accounting Standards in the initial

draft of the Financial Statements and Notes to the Financial Statements in compliance with its Internal Management handbook and such other statutory and regulatory requirements.

The External Auditor, likewise, prepares an accountability statement that sufficiently identifies the officers responsible for the financial report.

The final form of the Annual Financial Statements is then presented to the Company's Audit Committee members who can properly review and further examine and perform their oversight financial management functions in such areas relative to the Company's credit, market, liquidity, operational, legal and other risks as indicated in its financial reports. The approval of the External Auditor's fees is made by the Audit Committee in view of the complexity of the services rendered and reasonableness of the fee under the engagement provided in the audit of the Company's Annual Financial Statements.

#### **Changes in and Disagreements with Accountant on Accounting and Financial Disclosure**

1. SGV has been the Company's external auditor for the last three fiscal years. SGV has not expressed any intention to resign as the Company's principal public accountant nor has it indicated any hesitance to accept re-election after the completion of their last audit.
2. In compliance with SEC Memorandum Circular No. 8 Series of 2003 on rotation of External Auditors, SGV's previous engagement partner was replaced in 2014.
3. There has been no disagreement with SGV & Co. on accounting principles or practices, financial statements disclosures, auditing scope or procedures, which disagreements, if not resolved to their satisfaction, would have caused them to make reference thereto in its respective reports on the Company's financial statements for the abovementioned years.

## MATERIAL CONTRACTS & AGREEMENTS

The Company's principal contracts generally consist of agreements – directly, or through wholly-owned subsidiaries – with shareholders of several subsidiaries that: (a) own, operate, and maintain, or are developing, different power plants, or real estate projects. The Company also has existing financing agreements. Save for the contracts mentioned below, the Company is not a party to any contract of material importance and outside the usual course of business, and the Directors do not know of any such contract involving the Company.

### 1. Conal Holding Corporation (CHC) and Subsidiaries

WMPC has existing PSAs with electric cooperatives and distribution utilities for a period of 10 years with contracted capacity of 51MW. On September 25, 2017, CEPALCO requested to suspend its PSA starting October 2017 because based on the current supply-demand condition within its franchise area, CEPALCO will not be requiring the 30 megawatts capacity from WMPC for the meantime. Consequently, on September 26, 2017, WMPC agreed to the requested suspension. The unexpired term of the PSA between WMPC and CEPALCO shall be preserved and will resume upon prior written notice from the latter.

In addition, WMPC has existing ASPA with National Grid Corporation of the Philippines (NGCP) which was provisionally approved by the ERC. On the other hand, MPC has existing PSA with electric cooperative with contracted capacity of 30MW.

Revenue amounted to Php 1,822 million in 2021, Php1,572 in 2020, and Php1,592 million in 2019.

### 2. Shareholders' Agreements for SEC, and SRPI

The Company has a shareholders' agreement with Global Business Power Corporation ("GBPC") for Alsons Thermal Energy Corporation ("ATEC"), which owns 75% of the outstanding shares of Sarangani Energy Corporation ("SEC"), and all of the outstanding shares of San Ramon Power, Inc. ("SRPI"), and of Aces Technical Services, Inc. ("ATSI"). TTC owns the other 25% of the outstanding shares of SEC.

#### SEC

SEC has two coal-fired power plants, developed in two phases, and has PSAs with the following electric cooperatives and/or distribution utilities in Mindanao

#### *Phase 1 of the Project*

Contracting Party	Contracted Capacity (in Mega Watts)
SOCOTECO II	70
Iligan Light and Power Inc.	15
Agusan del Norte Electric Cooperative	10
Agusan del Sur Electric Cooperative	10
	105

#### *Phase 2 of the Project*

Contracting Party	Contracted Capacity (in Mega Watts)
Cagayan Electric Power and Light Company, Inc	20
Davao Del Norte Electric Cooperative, Inc.	15

Davao del Sur Electric Cooperative	15
Cotabato Electric Cooperative Inc.	10
South Cotabato I Electric Cooperative	10
Zamboanga del Sur I Electric Cooperative Inc.	5
Zamboanga del Norte Electric Cooperative Inc.	5
	<hr/> 80

## SRPI

In March 2013, SRPI entered into a PSA with ZAMCELCO for a period of 25 years from start of the SRPI's commercial operation. Contracted capacity for the related PSA was 85 MW. On September 15, 2014, the Energy Regulation Commission approved the above PSA. As at March 18, 2021, the Company has not started the construction of the ZAM 100 power plant. The proposals for the Engineering, Procurement and Construction (EPC) rebidding were submitted on August 30, 2018. Selection of the contractor who will handle the construction of the project is scheduled in second quarter of 2021, followed by the issuance of Limited Notice to Proceed and Final Notice to Proceed in June 2021 and November 2021, respectively. The power plant is expected to be operational in 2024.

## 3. Loan Agreement

### Long-Term Loan

**Omnibus Notes Facility and Security Agreement (ONFSA)** - On November 23, 2020, ACR entered into a facility agreement with various noteholders with aggregate principal amount of P6,000 million divided into two (2) tranches: (a) Tranche A with principal amount of P5,215 million, subject to fixed interest rate of 5% and payable within five (5) years from the drawdown date and (b) Tranche B with principal amount of P785 million, subject to fixed interest rate of 6%. The loans are payable semi-annually based on graduated rates of 0.5% of the principal in the first year, 22.5% in the 2nd to 6th year and 77% of the principal in the year of maturity. Proceeds of the loan shall be used to prepay ACR's fixed rate corporate notes facility, partly finance the investments in renewable energy projects and for general corporate purposes. ACR had drawn the entire loan facility amounting to million as of December 31, 2020.

**Fixed Rate Corporate Notes Facility** - On November 25, 2015, ACR entered into a fixed rate corporate notes facility with various noteholders with aggregate principal amount of P7,500 million divided into two (2) tranches: (a) Tranche A with principal amount of P5,600 million, subject to fixed interest rate of 7.24% and payable within five (5) years from the drawdown date and (b) Tranche B with principal amount of P1,900 million, subject to fixed interest rate of 7.92% and payable in annual installment of P19 million for the first six (6) years with balloon payment of P1,786 million on the 7th year from the drawdown date. ACR then settled the remaining balance of fixed rate corporate notes facility in November 2020.

### Short-Term Loan

In 2021 and 2020, the Company availed of unsecured short-term loans from local banks totaling to P1,378.4 million and P1,507.3 million, respectively. These loans are subject to annual fixed interest rates ranging from 3.50% to 6.00% per annum and are payable on various dates within one year. Upon maturity in 2020, these loans were renewed by the Company. As at December 31, 2021 and 2020, outstanding short-term loans amounted to P1,570.5 million and P1,382.7 million, respectively

### Commercial Papers

In 2018, the Company initiated a P2.5 billion Commercial Paper Program with the Multinational Investment Bancorporation acting as the sole issue manager, lead arranger and underwriter of such commercial papers to be listed publicly through the Philippine Dealing & Exchange Corporation. The issuance was divided into two tranches. The first and second tranches shall amount to issuances totaling P1,500.0 million and P1,000.0 million, respectively.

In October 2018, the Company has listed a total of P100 million worth of commercial papers, which was part of the first tranche, with a tenor of 360 days, and was paid in October 2019. These were issued at discounted amounts with net proceeds amounting to P94.0 million.

In 2019, the Parent Company has listed a total of P1,880 million worth of commercial papers with a tenor of 90 to 360 days. These were issued at discounted amounts with net proceeds amounting to P1,806 million. This was settled in 2019 and 2020.

In 2021, the Parent Company has listed a total of P2,000 million worth of commercial papers with a tenor of 182 to 364 days. These were issued at discounted amounts with net proceeds amounting to P1,944 million.

Outstanding balance from the commercial papers amounted to P1,943million and P893 million as at December 31, 2021 and 2020, respectively.

#### **4. Joint Venture Agreements**

ALC has a Joint Venture Agreement with Sta Lucia Realty Development, Inc. (SLRDI) for the development of ALC's parcels of land at General Trias, Cavite into a commercial and residential subdivision with golf courses, known as the Eagle Ridge Golf and Residential Estates (Eagle Ridge). The entire development shall be undertaken by SLRDI which shall receive 60% of the total sales proceeds of the lots of the subdivision, both commercial and residential, and of the golf shares. The remaining balance of 40% shall be for ALC. ALC's 40% share in the proceeds and in the cost of the lots sold is shown as part of "Sales of real estate" and "Cost of real estate sold" accounts, respectively, in the consolidated statements of income. ALC's share in the unsold lots is included under "Real estate inventories" account in the consolidated statements of financial position.

In 2006, ALC entered a joint venture agreement with Sunfields Realty Development Inc., the developer, for the development of ALC's parcels of land at Lipa and Malvar, Batangas into residential house and lots, called as the Campo Verde Subdivision. The entire development costs were shouldered by the developer. In return to their respective contributions to the project, the parties have agreed to assign a number of units of residential house and lots proportionate to their respective contributions computed as specified in the Memorandum of Agreement. The developer was assigned as the exclusive marketing agent and receives 10% of the total contract price, net of value-added tax and discounts, as marketing fee. Sales and cost of lots sold allocated to ALC are shown as part of "Real estate sales" and "Cost of real estate sales" accounts, respectively, in the consolidated statements of income.

On March 21, 2013, Aldevinco and ACIL (collectively referred as "AG") and Ayala Land, Inc. (ALI) entered into a joint venture agreement, where ALI shall own 60% and AG shall own 40% of the outstanding capital stock of the Joint Venture Corporation (JVC), Aviana. On September 17, 2013, Aviana was incorporated as the JVC. ACR has subscribed to 296 preferred shares and 32 common shares for 34% ownership in Aviana.

#### **5. Marketing Agreements**

ALC and SLRDI have a Marketing Agreement with Fil-Estate Group of Companies (FEGC) for the latter to market and sell the individual lots at Eagle Ridge. FEGC is entitled to a marketing commission of 12% of the sales contract price.

## **6. Engineering, Procurement and Construction Contract (EPC)**

Sarangani Energy

On March 30, 2011, Sarangani entered into EPC contract with the consortium of Daelim Industrial Co. Ltd, a company incorporated in Korea, and Daelim Philippines Incorporated, a company incorporated in the Philippines ("Contractor"). Under the terms of the contract, the Contractor shall perform any and all services and provide any and all equipment and construction equipment necessary to perform the work in accordance with the EPC contract on a fixed-price, turnkey basis and shall deliver a fully operational power plant facility (SM 200). On December 29, 2011 and May 24, 2012, Amendments 1 and 2 to the EPC, respectively, were signed, revising certain portions of the EPC. Construction of Phase 1 of the SM200 commenced in January 2013 and was completed in April 2016.

On July 6, 2016, Sarangani entered into EPC contract with JGC Corporation, a company incorporated in Japan, and JGC Philippines, Inc., a company incorporated in the Philippines ("JGC"). Under the terms of the contract, JGC shall install the second 105 MW unit and associated auxiliaries in accordance with Sarangani's requirements. On October 14, 2016, the formal Notice to Proceed was issued to JGC. Construction of Phase 2 of the SM200 commenced in January 2017 and was completed in October 2019. Sarangani received revenue loss compensation amounting to P880 million in 2020 due to the delay in the completion of the project.

## **7. Registration with Zamboanga City Special Economic Zone Authority (ZAMBOECOZONE) and Kamanga Agro-Industrial Economic Zone**

On November 20, 2012, SRPI obtained the certificate of registration and tax exemption issued by ZAMBOECOZONE. As a registered ZAMBOECOZONE enterprise, SRPI shall enjoy incentives and benefits provided for in Republic Act (R.A.) 7903 Sections 4(e) and 4(f) and Sections 43-44, 57-59 and 62 of R.A. 7903 throughout the Lease Agreement with ZAMBOECOZONE.

On June 7, 2011, PEZA approved Sarangani's registration as an Ecozone Utilities Enterprise inside Kamanga Agro-Industrial Economic Zone located at Barangay Kamanga, Maasim, Sarangani Province.

As a power generation registered economic zone enterprises SRPI and Sarangani are entitled to the following incentives:

(a) Exemption from national and local taxes and in lieu thereof payment of a special tax rate of 5% on gross income; and

(b) Tax- and duty-free importation of capital equipment, machineries and spare parts. VAT-zero rating on local purchases subject to compliance with BIR and PEZA regulations/requirements.

## **8. Joint Crediting Mechanism Grant (the JCM Grant) by the Ministry of Environment of Japan (MEJ)**

On September 22, 2017, the Company, AREC, Toyota Tsusho Corporation (TTC) and Siguil entered into an International Consortium Agreement (the Consortium Agreement) in order to apply for the JCM grant with MEJ. On October 20, 2017, MEJ approved the grant in relation to the development and implementation of the 15 MW Hydro Power Plant Project in Siguil River in Mindanao.

On November 14, 2017, the parties entered into a Memorandum of Agreement (MOA) to define its roles and responsibilities in relation to the JCM grant. Under the MOA, TTC shall remit the grant it received from MEJ within 30 days after the issuance of the Certificate of Provisional Acceptance as defined in the EPC contract and the date that Siguil has declared to South Cotabato II Electric Cooperative, Inc. (SOCOTECO II) or any other off-taker that, it is ready to deliver, and SOCOTECO II or any other off-taker is ready to accept, the contracted capacity and dispatchable energy mentioned in the PSA between parties, which is still pending as of date. As of March 18, 2021, Siguil has not yet received any fund from this grant agreement.

## REGULATORY & ENVIRONMENTAL MATTERS

As a holding company, the Company is subject to ordinary regulations pertaining to regular corporations. However, the Company's subsidiaries may be subject to the following rules and regulations.

### **a. Electric Power Industry Reform Act (EPIRA)**

Republic Act No. 9136, the EPIRA of 2001, and the covering Implementing Rules and Regulations (“IRR”) provide for the significant changes in the power sector which include among others:

- i. The unbundling of the generation, transmission, distribution and supply and other disposable assets, including its contracts with IPP and electricity rates;
- ii. Creation of a Wholesale Electricity Spot Market within one year; and
- iii. Open and non-discriminatory access to transmission and distribution systems.

The law also requires public listing of not less than 15% of common shares of generation and distribution companies within 5 years from the effective date of the EPIRA. It provides cross ownership restrictions between transmission and generation companies and between transmission and distribution companies, and a cap of 50% of its demand that a distribution utility is allowed to source from an associated company engaged in generation except for contracts entered into prior to the effective date of the EPIRA.

There are also certain sections of the EPIRA, specifically relating to generation companies, which provide for a cap on the concentration of ownership to only 30% of the installed capacity of the grid and/or 25% of the national installed generating capacity. Based on the assessment of management, the operating subsidiaries have complied, with the applicable provisions of the EPIRA and its IRR.

Based on the assessment of management, the operating subsidiaries have complied with the applicable provisions of the EPIRA and its IRR.

### **b. Clean Air Act**

The Clean Air Act and the related IRR contain provisions that have an impact on the industry as a whole and on the Group in particular, that needs to be complied with. Based on the assessment made on the power plant's existing facilities, management believes that the operating subsidiaries comply with the applicable provisions of the Clean Air Act and the related IRR.

### **c. Securities and Exchange Commission**

Under the SRC, the Securities & Exchange Commission (the “Commission”) has jurisdiction and supervision over all corporations, partnerships or associations that are grantees of primary franchises, license to do business or other secondary licenses. As the government agency regulating the Philippine securities market, the Commission issues regulations on the registration and regulation of securities exchanges, the securities market, securities trading, the licensing of securities brokers and dealers and reportorial requirements for publicly listed companies and the proper application of Securities Regulation Code provisions, as well as the Revised Corporation Code, and certain other statutes.

## **GENERAL CORPORATE INFORMATION**

### **INCORPORATION**

The Company is duly organized as a corporation under the laws of the Philippines and was registered with the Commission on December 24, 1974.

### **ARTICLES OF INCORPORATION AND BY-LAWS**

The Commission approved the Articles of Incorporation of the Company on December 24, 1974. The Commission approved the latest amended Articles on August 11, 2014.

The By-Laws of the Company were registered with the Commission on December 24, 1974 and were amended on July 16, 2004.

### **PRIMARY PURPOSE**

To acquire by purchase, exchange, assignment, gift or otherwise, and to hold, own and use for investment or otherwise, and to sell, assign, transfer, exchange, lease, let, develop, mortgage, pledge, traffic, deal in, and with, and otherwise to operate, manage, enjoy and dispose of, any and all properties of every kind and description and whatever situated, as and to the extent permitted by the law, including but not limited to, buildings, tenements, warehouses, factories, edifices and structures and other improvements, and bonds, debentures, promissory notes, shares of capital stock, or other securities or obligations, created, negotiated or issued by any corporation, association, or other entity, foreign or domestic and while the owner, holder or possessor thereof, to exercise all the rights, powers and privileges of ownership or any other interest therein, including the right to receive, collect and dispose of, any and all rentals, dividends, interests and income, derived therefrom, and the right to vote on any proprietary or other interest, on any shares of the capital stock, and upon any bonds, debentures, or other securities having voting power, owned or held; and provided that it shall not engage in the business of an open-end or close-end investment company as defined in the Investment Company Act (Republic Act No. 2629)

### **CORPORATE TERM**

The Company has perpetual existence pursuant to the Revised Corporation Code. Section 11 of the Revised Corporation Code grants corporation's perpetual existence unless its articles of incorporation provides otherwise. Corporations established prior to the effective date of the Revised Corporation Code shall have perpetual existence unless the shareholders owning and/or representing at least a majority of the outstanding capital stock notifies the Commission that it elects to retain its corporate term pursuant to its articles of incorporation. The Company has not made such election to retain its corporate term indicated in its Articles of Incorporation.

### **FISCAL YEAR**

The business year of the Company begins on the first day of January and ends on the last day of December of each year.

## **APPROVALS**

The Board of Directors of the Company approved the issuance and sale of the CPs on December 10, 2020.

## **DOCUMENTS AVAILABLE FOR DOWNLOADING**

In order to implement necessary health protocols consistent with the directives and guidelines of the Department of Health for the protection of Commission's employees and the investing public, the Commission suspended: (i) the physical inspection of the Company's articles of incorporation, and by-laws, as amended; and (ii) providing physical copies thereof to interested parties, until further notice. In lieu thereof, the Commission adopted an alternative mode viewing and/or downloading the documents, and any subsequent amendments thereto, by enabling interested parties to access the same through the MSRD corner of the Commission's website ([www.sec.gov.ph](http://www.sec.gov.ph)) or the Company's website (<http://acr.com.ph/index.php>)

## PHILIPPINE TAXATION

*Following is a general description of certain Philippine tax aspects of investment by prospective CP Holders. This discussion is based upon Philippine tax laws, in particular the Tax Code, its implementing regulations and rulings in effect at the date of this Prospectus. Subsequent legislative, judicial or administrative changes or interpretations may be retroactive and could affect the tax consequences to the prospective CP Holders.*

*The tax treatment of a prospective CP Holder may vary depending on such CP Holder's particular situation and certain prospective CP Holders may be subject to special rules not discussed below. This summary does not purport to address all tax aspects that may be important to a prospective CP Holder.*

*This general description does not purport to be a comprehensive description of the Philippine tax aspects of investment in the CPs and no information is provided regarding the tax aspects of acquiring, owning, holding or disposing the CPs under applicable tax laws of other jurisdictions and the specific tax consequence in light of particular situations of acquiring, owning, holding and disposing the CPs in such other jurisdictions.*

**EACH PROSPECTIVE CP HOLDER SHOULD CONSULT WITH HIS OWN TAX ADVISER AS TO THE PARTICULAR TAX CONSEQUENCES TO SUCH CP HOLDER OF PURCHASING, OWNING AND DISPOSING OF THE CPs, INCLUDING THE APPLICABILITY AND EFFECT OF ANY STATE, LOCAL AND NATIONAL TAX LAWS.**

As used in this section, the term "resident alien" refers to an individual whose residence is within the Philippines but who is not a citizen of the Philippines; a "non-resident alien" is an individual whose residence is not within the Philippines and who is not a citizen of the Philippines; a non-resident alien who is actually within the Philippines for an aggregate period of more than 180 days during any calendar year is considered a "non-resident alien doing business in the Philippines"; otherwise, such non-resident alien who is actually within the Philippines for an aggregate period of 180 days or less during any calendar year is considered a "non-resident alien not doing business in the Philippines." A "resident foreign corporation" is a foreign corporation engaged in trade or business within the Philippines; and a "non-resident foreign corporation" is a foreign corporation not engaged in trade or business within the Philippines. The term "foreign" when applied to a corporation means a corporation that is not domestic while the term "domestic" when applied to a corporation means a corporation created or organized in the Philippines or under its laws.

### **Taxation of Interest Income/Discount**

The CPs will be, under current interpretation of the Tax Code, treated as, a deposit substitute instrument as such term is defined under the Tax Code. Interest income earned, or the yield, or any other monetary benefit from the CPs realized by the CP Holders shall be taxed as described in the following sections.

### **Interest income/Discount earned by individuals**

As a general rule, interest income earned or yield or any other monetary benefit from the CPs realized by individual citizens of the Philippines, resident aliens and non-resident aliens engaged in trade or business in the Philippines is subject to a final withholding tax at the rate of 20%.

Transfers or assignments of the CPs by the CP Holders are subject to a final tax on the interest income already earned by the transferor CP Holder which shall be borne by the CP Holder.

Interest income received by non-resident aliens not engaged in trade or business in the Philippines shall generally be subject to a final withholding tax of 25%. However, such tax rate may be reduced under an applicable tax treaty.

#### **Interest income/Discount earned by corporations**

Interest income earned, or the yield, or any other monetary benefit derived by domestic and resident foreign corporations from the CPs shall be subject to a final withholding tax of 20% of such interest income.

On the other hand, interest income received by a non-resident foreign corporation shall be subject to 30% final withholding tax. This rate may also be reduced under an applicable tax treaty.

#### **Interest income/Discount earned by trusts**

A trust is generally taxed in the same way as an individual pursuant to the Tax Code which provides that the tax imposed upon individuals shall apply to the income of any kind of property held in trust (except qualifying employee's trust considered tax-exempt). Accordingly, since trusts are, for tax purposes, treated as an individual, interest income earned by trusts are likewise subject to the 20% final withholding tax.

#### **Tax-exempt persons**

All sums payable by the Issuer to tax-exempt persons shall be paid in full without deductions for taxes, duties, assessments, or government charges, subject to the submission to the Registrar by the CP Holder claiming the exemption of reasonable evidence of such exemption.

#### **DOCUMENTARY STAMP TAXES**

The Tax Code imposes a documentary stamp tax on all debentures, certificates of indebtedness, due bills, bonds, loan agreements, deposit substitute debt instruments at the rate of ₱1.50 on every ₱200, or fractional part thereof, of the face value of such securities; Provided, that for such debt instruments with terms of less than one (1) year, the documentary stamp tax to be collected shall be of a proportional amount in accordance with the ratio of its term in number of days to three hundred sixty five (365) days. The Company has undertaken to pay the documentary stamp tax on the issuance of the CPs.

#### **VALUE-ADDED TAX AND GROSS RECEIPTS TAX**

At issuance, no VAT shall be imposable upon the CPs. Subsequent transfers shall similarly be free of VAT, unless the CP Holder is a dealer in securities. In that instance, the CP Holder shall be liable to pay 12% VAT on the gross income derived from the trading of the CPs.

Under Republic Act No. 9238, services rendered in the Philippines by, among others, banks, non-bank financial intermediaries, quasi-banks, finance companies, and other financial intermediaries not performing quasi-banking functions (excluding insurance companies) are exempted from the coverage of the VAT. The exemption, which took effect retroactively on 1 January 2004, reverts to the application of

the GRT regime on services rendered by banks, non-bank financial intermediaries, quasi-banks, finance companies, and other financial intermediaries not performing quasi-banking functions (excluding insurance companies). Rates of GRT shall be as follows:

(1) Banks and Non-Bank Financial Intermediaries Performing Quasi-Banking Functions:

- (a) On interest, commission and discounts from lending activities as well as income from financial leasing, on the basis of the remaining maturities of instruments from which such receipts are derived:
  - Maturity period is five years or less – 5%
  - Maturity period is more than five years – 1%
- (b) On dividends and equity shares in net income of subsidiaries – 0%
- (c) On royalties, rentals of real or personal property, profits from exchange and all other items treated as gross income under the Tax Code – 7%
- (d) On net trading gains within the taxable year on foreign currency, debt securities, derivatives and other similar financial instruments – 7%

(2) Other Non-Bank Financial Intermediaries:

- (a) On interest, commission, discounts and all other items treated as gross income under the Tax Code – 5%
- (b) On interest, commission and discounts from lending activities as well as income from financial leasing, on the basis of the remaining maturities of instruments from which such receipts are derived:
  - Maturity period is five years or less – 5%
  - Maturity period is more than five years – 1%

## **ESTATE AND DONOR'S TAX**

The transfer of the CPs by a decedent to his heirs, whether or not such decedent was residing in the Philippines, will be subject to an estate tax that is levied on the net estate of the deceased at a rate of six percent (6%).

CP Holders, whether or not citizens or residents of the Philippines, will be subject to donor's tax upon the donation of the CPs to any person at a rate of 6% computed on the basis of the total gifts in excess of ₱ 250,000 per year.

The estate tax, as well as the donor's tax in respect of the CPs, shall not be collected if: (a) the deceased at the time of his death or donation was a citizen and resident of a foreign country which, at the time of his death or donation, did not impose a transfer tax of any character in respect of intangible personal property of citizens of the Philippines not residing in that foreign country; or (b) the laws of the foreign country of which the deceased or the donor was a citizen and resident at the time of his death or donation allows a similar exemption from transfer or death taxes of every character or description in respect of intangible personal property owned by citizens of the Philippines not residing in that foreign country.

## **TAXATION OUTSIDE THE PHILIPPINES**

The tax treatment of non-resident CP Holders in jurisdictions outside the Philippines may vary depending on the tax laws applicable to such holder by reason of domicile or business activities and such holder's

particular situation. This Prospectus does not discuss the tax considerations on such non-resident holders under laws other than those of the Philippines.

### 3. Annexes

- a. Biodata
- b. Corporate Approvals,  
Authorizations & Certifications
- c. Credit Rating
- d. Legal Opinion
- e. Mandate Letter
- f. Publication Requirement

# Corporate Approvals, Authorizations & Certifications

REPUBLIC OF THE PHILIPPINES     )  
CITY OF PARAÑAQUE                 ) S.S.

### AFFIDAVIT

I, **JOSE D. SALDIVAR, JR.** Filipino, of legal age, and with office address at Alsons Building, 2286 Chino Roces Avenue (Formerly Pasong Tamo Ext), Makati City, after having been sworn to in accordance with la w, do hereby depose and state that:

1. I am the Assistant Comptroller of **ALSONS CONSOLIDATED RESOURCES, INC.** (the "Company") a company duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at Alsons Building, 2286 Chino Roces Avenue Makati City;
2. As Assistant Comptroller, I hereby certify that the Company and its subsidiaries have fully complied with all its tax obligations with the Bureau of Internal Revenue on time and in the required format;
3. The foregoing is in accordance with the records of the Company.


IN WITNESS WHEREOF, I have hereunto set my hand this 21 SEP 2022 at Parañaque City, Metro Manila.

  
**JOSE D. SALDIVAR, JR.**  
Assistant Comptroller

SUBSCRIBED AND SWORN to before me this 21 SEP 2022 at Parañaque City, Philippines, affiant exhibiting to me his Driver's License No. N03- 99279566 issued at LTO-Makati District Office, and shall valid be until November 2, 2022.

Doc. No. 179 ;  
Page No. 36 ;  
Book No. 12 ;  
Series of 2022.



  
**ATTY. VILMA HILDA VILLANUEVA-FABELLA**  
NOTARY PUBLIC  
Until December 31, 2022  
IBP No. 196528/1-05-2022/PPLM  
PTR No. 2910162/1-07-2022/Parañaque  
Roll No. 41901  
Not. Com. No. 119-2021/1-04-2021

REPUBLIC OF THE PHILIPPINES )  
CITY OF PARAÑAQUE ) S.S.

### CERTIFICATION

I, **JONATHAN F. JIMENEZ**, Filipino, of legal age and with office address at the Alsons Building, 2286 Chino Roces Avenue, Makati City 1231 Metro Manila, after having been duly sworn in accordance with law, hereby states:

1. I am the Assistant Corporate Secretary of **ALSONS CONSOLIDATED RESOURCES, INC.**, a Philippine corporation with office address at the Alsons Building, 2286 Chino Roces Avenue, Makati City (the "Company"). I am one of the legal counsels of the Company, its subsidiaries, and its affiliates in which the Company owns a controlling interest. I also serve as the Corporate Secretary of the said subsidiaries and affiliates;
2. In connection with the registration of the Company's commercial paper program with the Securities & Exchange Commission, I certify, on behalf of the Company, its subsidiaries and said affiliates, that Annex "A" contains all the on-going judicial cases involving the Company, its subsidiaries, or its affiliates and its properties, including, as the Commission required, the non-material judicial cases.
3. The foregoing is in accordance with the records of the Company and its subsidiaries and said affiliates in my custody.


IN WITNESS WHEREOF, I have hereunto set my hand this 21 SEP 2022 at Parañaque City, Metro Manila.

  
**JONATHAN F. JIMENEZ**  
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me, a Notary Public for and in Parañaque City, Philippines, this 21 SEP 2022, affiant, whose identity I have confirmed through his Driver's License no. D06-86-017937 valid until 25 October 2023, bearing his photograph and signature.

Doc. No. 178;  
Page No. 36;  
Book No. 12;  
Series of 2022.  
Arra/ACR/403



  
ATTY. VILMA HILDA VILLANUEVA-FABELLA  
NOTARY PUBLIC  
Until December 31, 2022  
IBP No. 196528/1-05-2022/PPLM  
PTR No. 2910162/1-07-2022/Parañaque  
Roll No. 41901  
Not. Com. No. 119-2021/1-04-2021

### **Annex “A” to Legal Certification of On-Going Judicial Cases**

1. *Market Developers, Inc. v. Dalisay Industries*, Civil Case No. 94189, MTC Branch 64, Makati City. - Plaintiff filed a collection case for the sum of ₱ 83,585.00 and prevailed at the trial court. The favorable decision is awaiting execution.
2. *Market Developers, Inc. v. Gilbert Go*, Civil Case No. 94191, MTC Branch 64, Makati City. - Plaintiff filed a complaint to collect ₱ 371,129.81. Despite summons by the trial court, the defendant failed to file an answer. Thus, the plaintiff moved that defendant be declared in default, and is presently awaiting the trial court’s resolution.
3. *Market Developers, Inc. v. Michael Palanca*, Civil Case No. 07-972, Regional Trial Court (RTC) Branch 150, Makati City. - Plaintiff filed a complaint to collect ₱ 597,908.56. Despite summons by the trial court, the defendant failed to file an answer. Thus, the plaintiff moved that defendant be declared in default, and is presently awaiting the trial court’s resolution.
4. *People of the Philippines v. Arnel M. Oyao*, Criminal Case No. 22527, RTC Branch 17, Zamboanga City. - MDI filed a complaint for estafa after discovering that one of its sales representatives had misappropriated ₱ 401,660.00. The Assistant City Prosecutor found probable cause to file a criminal information against the accused in the Regional Trial Court. The trial is on-going.
5. *Western Mindanao Power Corporation vs. Commission of Internal Revenue*, CTA Case No. 9248, Court of Tax Appeals, Quezon City. - Having not received any notice from the BIR regarding its protest of a BIR assessment for deficiency taxes in the total amount of ₱ 50,968,525.25, Western Mindanao Power Corporation (“WMPC”, in which ACR indirectly owns 55%) filed a petition before the CTA on January 22, 2016 to review the said assessment. On June 29, 2020, the CTA issued a decision ordering WMPC to pay ₱38,646,031.44, and delinquency interest of ₱ 25,715,725.77. WMPC filed a Motion for Partial Reconsideration praying, among others, for the cancellation of the imposition of delinquency interest, which motion is pending resolution.
6. *Regencia and Rovira v. Conal Holdings Corporation, Mapalad Power Corporation, et al.*, G.R. No. 242962 – On December 3, 2018, Celso G. Regencia and Voltaire I. Rovira filed with the Supreme Court a Petition for Certiorari under against CHC, Mapalad Power Corporation (“MPC”, an ACR subsidiary), Tirso G. Santillan, Jr., former Iligan City Mayor Lawrence LL. Cruz, and the 14<sup>th</sup> City Council of Iligan City challenging: (a) the Commission on Audit (“COA”) Decision N° 2012-146 dated September 21, 2012, and (b) the COA Decision N° 2018-182 dated January 29, 2018. The Petitioners questioned the validity of the December 12, 2011 sale by Iligan City of the Iligan Diesel Power Plants (“IDPPs”) 1 and 2 to CHC, which was approved by the COA. Petitioners alleged grave abuse of discretion, and sought to have the sale reversed on the ground that there were irregularities in (a) the conduct of the auction, and (b) the valuation of the assets in the sale of the IDPPs, none of which were found by the COA. The petition is pending with the Supreme Court.

REPUBLIC OF THE PHILIPPINES     )  
CITY OF PARAÑAQUE                     ) S. S.

**SECRETARY'S CERTIFICATE**

I, **JONATHAN F. JIMENEZ**, Filipino, of legal age, and with office address at the 2286 Chino Roces Avenue (Formerly Pasong Tamo Extension), Makati City, after having been sworn to in accordance with law, do hereby depose and state that:

1. I am the duly elected and qualified assistant corporate secretary of **ALSONS CONSOLIDATED RESOURCES, INC.**, a Company duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at 2286 Chino Roces Avenue (Formerly Pasong Tamo Extension), Makati City (the "Company");
2. As the Company's assistant corporate secretary, I hereby certify that:
  - a. In compliance with the rules set forth by the Securities and Exchange Commission ("SEC") in relation to the Company's issuance of commercial papers, I hereby certify that the Company and its Board of Directors are aware of the documents/amendments submitted in connection with its Registration Statement;
  - b. In compliance with the conditions and requirements set forth by the SEC and the Securities and Regulation Code, in relation to the Company's issuance of commercial papers, the Company hereby undertakes to submit the affidavit, or affidavits, of a newspaper publisher, or publishers, on the publication of a notice of the Company's commercial paper issuance;
  - c. All the required audited financial statements of the Company, and its subsidiaries have been filed with the SEC;
  - d. All mandated government licenses and permits of the Company have been secured, and that said licenses and permits are valid and current;
  - e. The Board of Directors of the Company has adopted and submitted to the SEC its Manual on Corporate Governance;
  - f. Pursuant to such Manual on Corporate Governance, the Company has adopted the Rule on Qualifications and Disqualifications for the selection of corporate directors and officers; and
  - g. The Board of Directors of the Company undertakes to allow the SEC to resolve conflicting issues regarding the selection of independent directors.
3. The foregoing is in accordance with the records of the Company.


IN WITNESS WHEREOF, I have hereunto set my hand this 21 SEP 2022 at Parañaque City, Metro Manila.

  
**JONATHAN F. JIMENEZ**  
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me, a Notary Public for and in Parañaque City, Philippines, this 21 SEP 2022, affiant, whose identity I have confirmed through his Driver's License no. D06-86-017937 valid until 25 October 2023, bearing his photograph and signature.

Doc. No. 177;  
Page No. 36;  
Book No. 12;  
Series of 2022.  
Arra/ACR/403



  
**ATTY. VILMA HILDA VILLANUEVA-FABELLA**  
NOTARY PUBLIC  
Until December 31, 2022  
IBP No. 196528/1-05-2022/PPLM  
PTR No. 2910162/1-07-2022/Parañaque  
Roll No. 41901  
Not. Com. No. 119-2021/1-04-2021

REPUBLIC OF THE PHILIPPINES )  
CITY OF PARAÑAQUE ) S.S.

**DIRECTORS' CERTIFICATE**

We, the undersigned incumbent Directors of **ALSONS CONSOLIDATED RESOURCES, INC.**, a Philippine corporation with principal address at the Alsons Building, 2286 Chino Roces Avenue, Makati City, do hereby certify that at our meeting held on the 25 August 2022, at which a quorum was present, and acting throughout, we approved, and adopted, the following resolutions, which are now in full force and effect:

“WHEREAS, the Board of Directors of ALSONS CONSOLIDATED RESOURCES, INC (the “Corporation”), previously approved the offer and issuance of up to Philippine Pesos: Three Billion (₱ 3,000,000,000.00) worth of commercial paper (the “Commercial Paper”), and the engagement of MIB Capital Corporation as the Financial Advisor of the offering;

WHEREAS, the Corporation appointed SB Capital Investment Corporation as the Underwriter and Issue Manager in connection to the Corporation’s Commercial Paper Program;

WHEREAS, as part of the registration requirements, the Securities and Exchange Commission requires the Corporation’s Board of Directors to approve the disclosures in the registration statement;

NOW THEREFORE, BE IT RESOLVED, That the Corporation’s Board of Directors approves, as it hereby approves, the disclosure contained in the Registration Statement relating to the Corporation’s Commercial Paper Program;

RESOLVED FURTHER, That the Board of Directors of the Corporation assume, as it hereby assumes, all responsibility for the information contained in such registration statement;

RESOLVED FINALLY, That the Board of Directors of the Corporation authorize, as it hereby authorizes the filing of the Registration Statement with the Securities and Exchange Commission.”

IN WITNESS WHEREOF, WE have signed this Certificate on 13 SEP 2022  at the above City.

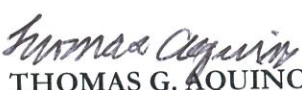
  
**EDITHA I. ALCANTARA**  
Director, Vice-Chair and Treasurer

  
**TIRSO G. SANTILLAN, JR.**  
Director, and Executive Vice President

  
**RAMON T. DIOKNO**  
Director

  
**ARTURO B. DIAGO, JR.**  
Director

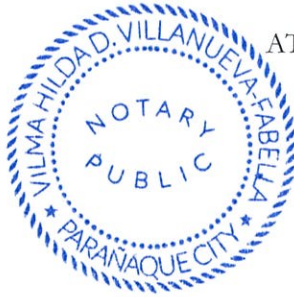
  
**HONORIO A. POBLADOR III**  
Director

  
**THOMAS G. AQUINO**  
Independent Director

SUBSCRIBED AND SWORN to before me, a Notary Public for and in the above City, this 13 SEP 2022, affiants, whose identity I have confirmed through the following competent evidence of their respective identity, bearing their respective photographs and signatures:

Name	Competent evidence of identity	Name	Competent evidence of identity
Editha I. Alcantara	TIN 101-533-701	Ramon T. Diokno	TIN 117-434-705
Tirso G. Santillan, Jr.	TIN 134-840-919	Arturo B. Diago, Jr.	TIN 101-560-893
Honorio A. Poblador III	TIN 112-105-590	Thomas G. Aquino	TIN 121-905-585

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Page No. 35 ;  
Book No. 12 ;  
Series of 2022.  
Arra/acr 403/DirCert



  
ATTY. VILMA HILDA VILLANUEVA-FABELLA

NOTARY PUBLIC

Until December 31, 2022

IBP No. 196528/1-05-2022/PPLM

PTR No. 2910162/1-07-2022/Parañaque

Roll No. 41901

Not. Com. No. 119-2021/1-04-2021

REPUBLIC OF THE PHILIPPINES }  
CITY OF PARAÑAQUE } S.S.

### **SECRETARY'S CERTIFICATE**

I, **JONATHAN F. JIMENEZ**, Filipino, of legal age, and with office address at the Alsons Building, 2286 Chino Roces Avenue, Makati City 1231 Metro Manila, being the duly appointed Assistant Corporate Secretary of **ALSONS CONSOLIDATED RESOURCES, INC.** (the "Corporation"), a corporation duly established and existing under the laws of the Republic of the Philippines with the principal address at Alsons Building, 2286 Chino Roces Avenue, Makati City 1231 Metro Manila, do hereby certify, that at the Regular Meeting of its Board of Directors on 25 August 2022, at which a quorum was present and acting throughout, the Board of Directors of the Corporation unanimously approved, and adopted, the following resolutions, which are now in full force and effect:

#### **BOARD RESOLUTION NO. ACR 2022/VIII-25-02**

"RESOLVED, That the Board of Directors of ALSONS CONSOLIDATED RESOURCES, INC. (the "Corporation"), approve, as it hereby approves, the issuance of up to Philippine Pesos: Three Billion (₱ 3,000,000,000.00) worth of commercial paper ("Commercial Paper"), in two or more tranches, as determined by management;

RESOLVED FURTHER, That, for this purpose, the Corporation appoints: (a) MIB Capital Corporation as Financial Advisor; (b) SB Capital Investment Corporation as Underwriter and Issue Manager; (c) Acuña & Francisco Law as Transaction Counsel; and (d) AB Capital and Investment Corporation-Trust Investment Division as Facility Agent; (e) such other advisers, and/or agents, as may be appropriate, convenient or necessary to effect and implement the offer for sale to the public and investors within the Philippines of the Commercial Paper;

RESOLVED FURTHER, To authorize management to file all documents including, but not limited to, the Registration Statement with the Securities and Exchange Commission ("SEC"), and make such other appointments as may be relevant in relation to the above transaction and to do any and all other acts necessary to implement the same in behalf of the Corporation;

RESOLVED FINALLY, That in order to implement the above resolutions, to authorize any one of the following officers to sign and execute any and all documents relative thereto for and in behalf of the Corporation:

<u>Name</u>	<u>Designation</u>
Nicasio I. Alcantara	Chairman & President
Editha I. Alcantara	Director & Treasurer
Tirso G. Santillan, Jr.	Director & Executive Vice President
Antonio Miguel B. Alcantara	Chief Investment and Strategy Officer
Marco Angelo C. Alcantara	Authorized Signatory
Alexander Benhur M. Simon	VP & Group Chief Finance Officer
Philip Edward B. Sagun	Deputy Chief Finance Officer
Carina U. Matutina	Controller
Jonathan F. Jimenez	Assistant Corporate Secretary

#### **BOARD RESOLUTION NO. ACR 2022/VIII-25-03**

"WHEREAS, the Board of Directors of ALSONS CONSOLIDATED RESOURCES, INC (the "Corporation"), previously approved the offer and issuance of up to Philippine Pesos: Three Billion (₱ 3,000,000,000.00) worth of commercial paper (the "Commercial Paper"), and appointed MIB Capital Corporation as the Financial Advisor of the offering;

WHEREAS, the Corporation appointed SB Capital Investment Corporation as the Underwriter and Issue Manager in connection to the Corporation's Commercial Paper Program;

WHEREAS, as part of the registration requirements, the Securities and Exchange Commission requires the Corporation's Board of Directors to approve the disclosures in the Registration Statement;

NOW THEREFORE, BE IT RESOLVED, That the Board of Directors of ALSONS CONSOLIDATED RESOURCES, INC. approve, as it hereby approves, the disclosure contained in the Registration Statement relating to its issuance of commercial papers;

RESOLVED FURTHER, That the Board of Directors of the Corporation, assume, as it hereby assumes, all responsibility for the information contained in such Registration Statement;

RESOLVED FINALLY, That the Board of Directors of the Corporation authorize, as it hereby authorizes the filing of the Registration Statement with the Securities and Exchange Commission."

**BOARD RESOLUTION NO. ACR 2022/VIII-25-04**

"WHEREAS, the Board of Directors of ALSONS CONSOLIDATED RESOURCES, INC. (the "Corporation"), previously approved the offer and issuance of up to PHILIPPINE PESOS: Three Billion (₱ 3,000,000,000.00) worth of commercial paper (the "Commercial Paper"), and appointed MIB Capital Corporation as the Financial Advisor and SB Capital Investment Corporation as the Underwriter and Issue Manager of the offering;

WHEREAS, the Corporation also wishes to list the Commercial Paper with the Philippine Dealing & Exchange Corp. ("PDEX");

NOW THEREFORE, BE IT RESOLVED, That the Corporation be, as it is hereby, authorized to list the Commercial Paper in the PDEX;

RESOLVED FURTHER, That management, be authorized, as they are hereby authorized, to negotiate, sign, execute, endorse and deliver, for and in behalf, and in the name of the Corporation, the Listing Application with PDEX, the Registry and Paying Agency Agreement with PDTC, any other application forms, documents, papers, contracts, and instruments, necessary or appropriate to proceed with, implement and effect the foregoing authorities, and to do and perform every and all acts as may be necessary or proper, or incidental thereto;

RESOLVED FINALLY, That in order to implement the above resolutions, any one of the following officers are hereby authorized to sign and execute any and all documents relative thereto for and in behalf of the Corporation:

<u>Name</u>	<u>Designation</u>
<u>Nicasio I. Alcantara</u>	<u>Chairman &amp; President</u>
<u>Editha I. Alcantara</u>	<u>Director &amp; Treasurer</u>
Tirso G. Santillan, Jr.	Director & Executive Vice President
Antonio Miguel B. Alcantara	Chief Investment and Strategy Officer
Marco Angelo C. Alcantara	Authorized Signatory
Alexander Benhur M. Simon	VP & Group Chief Finance Officer
Philip Edward B. Sagun	Deputy Chief Finance Officer
Carina U. Matutina	Controller
Jonathan F. Jimenez	Assistant Corporate Secretary

**BOARD RESOLUTION NO. ACR 2022/VIII-25-05**

"WHEREAS, the Board of Directors of ALSONS CONSOLIDATED RESOURCES, INC. (the "Corporation"), previously approved the offer and issuance of up to PHILIPPINE PESOS:

Three Billion (₱ 3,000,000,000.00) worth of commercial paper (the “Commercial Paper”), and authorized the listing of the Commercial Paper with Philippine Dealing & Exchange Corp. (“PDEX”);

WHEREAS, in connection thereto, the Corporation wishes to appoint Philippine Depository & Trust Corp as the Registrar of the Commercial Paper;

NOW THEREFORE, BE IT RESOLVED, That the Corporation, be, as it is hereby, authorized to transact with the Philippine Depository & Trust Corp (“PDTC”), and appoint PDTC as the Registrar of the Corporation relative to its Commercial Paper issuance and to be registered under the e-Securities Issue Portal (or e-SIP) with PDTC;

RESOLVED FURTHER, That management, be authorized, as they are hereby authorized, to negotiate, sign, execute, endorse and deliver, for and in behalf, and in the name of the Corporation, the Registry and Paying Agency Agreement with PDTC or any other required document, and perform every and all acts as may be necessary or proper, or incidental thereto;

RESOLVED FINALLY, That in order to implement the above resolutions, any one of the following officers are hereby authorized to sign and execute any and all documents relative thereto for and in behalf of the Corporation:

<u>Name</u>	<u>Designation</u>
<u>Nicasio I. Alcantara</u>	<u>Chairman &amp; President</u>
<u>Editha I. Alcantara</u>	<u>Director &amp; Treasurer</u>
Tirso G. Santillan, Jr.	Director & Executive Vice President
Antonio Miguel B. Alcantara	Chief Investment and Strategy Officer
Marco Angelo C. Alcantara	Authorized Signatory
Alexander Benhur M. Simon	VP & Group Chief Finance Officer
Philip Edward B. Sagun	Deputy Chief Finance Officer
Carina U. Matutina	Controller
Jonathan F. Jimenez	Assistant Corporate Secretary

IN WITNESS WHEREOF, I have hereunto set my hand this 25 AUG 2022 at Parañaque City, Metro Manila.


  
JONATHAN F. JIMENEZ  
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me, a Notary Public for and in Parañaque City, Philippines, this 25 AUG 2022, affiant, whose identity I have confirmed through his Driver's License N° D06-86-017937 valid until October 25, 2023, bearing his photograph and signature.

Doc. No. 102;  
Page No. 22;  
Book No. 12;  
Series of 2022.

Arra/403/ACR2022-VIII-25-02 to 05



  
ATTY. VILMA HILDA VILLANUEVA-FABELLA  
NOTARY PUBLIC  
Until December 31, 2022  
IBP No. 196528/1-05-2022/PPLM  
PTR No. 2910162/1-07-2022/Parañaque  
Roll No. 41901  
Not. Com. No. 119-2021/1-04-2021

**PDEX**

Philippine Dealing &amp; Exchange Corp.

**LISTING APPLICATION****Instructions for accomplishment of the Listing Application.**

This Form is composed of 5 parts:

Section A	Information on Issuer/Guarantor
Section B	Security Information
Section C	Documentary Requirements
Section D	Initial Disclosure Requirements
Section E	Listing Agreement

**APPLICATION -**

No.:

Date:

This Form is for use by an Issuer listing a security for trading on the PDEX Trading System. PDEX reserves the right to require additional documents or information for the proper evaluation of the application. This form should be accomplished in original and attached to the documents required hereunder.

Where the issue is guaranteed by a Guarantor, the Guarantor shall likewise accomplish Section A of this Listing Application, provide the applicable documents listed in Section C and provide the required disclosures identified in Section D, and execute the Listing Agreement in Section E for itself and on behalf of Issuer.

An Issuer/Guarantor shall submit three (3) original signed and notarized copies of this Form.

.....

This Listing Application is being accomplished by: (Please tick appropriate box)

☒ Issuer☐ Guarantor**SECTION A - INFORMATION ON ISSUER/GUARANTOR**

<b>Registered Corporate Name</b> ALSONS CONSOLIDATED RESOURCES, INC.	
<b>Applicant's Principal Place of Business (provide complete address)</b> Alsons Building, 2286 Chino Roces Avenue, Makati City 1231	
<b>Mailing Address, if different from Place of Business</b> same as above	
<b>If Applicant is a foreign entity, Name of Representative and Address of Registered Office in the Philippines</b> N.A	
<b>Tax Identification Number</b> 001-748-412	
<b>Business Telephone Numbers</b> 8982-3000	<b>Business Fax Numbers</b> 8982-3030
<b>Corporate Website</b> www.acr.com.ph	
<b>PRESIDENT</b> <b>Name:</b> Nicasio I. Alcantara <b>Title/Designation:</b> Chairman, President <b>Mailing Address:</b> Alsons Building, 2286 Chino Roces Avenue, Makati City 1231	
<b>Preferred Salutation:</b> Mr. Alcantara <b>Telephone Number:</b> 8982-3000 <b>Fax Number:</b> 8982-3030 <b>Email Address:</b> nia@alcantaragroup.com	

**Listing Application**

February 2014

Page 1 of 7

**SECTION A (CONTINUED) - INFORMATION ON ISSUER/GUARANTOR**

<b>CHIEF FINANCIAL OFFICER</b>	
<b>Name:</b> Alexander Benhur M. Simon	<b>Preferred Salutation:</b> Mr. Simon
<b>Title/Designation:</b> VP & Group Chief Finance Officer	<b>Telephone Number:</b> 8982-3000
	<b>Fax Number:</b> 8982-3030
<b>Mailing Address:</b> Alsons Building, 2286 Chino Roces Avenue, Makati City 1231	<b>Email Address:</b> amsimon@alcantaragroup.com
<b>TREASURER (if different from Chief Financial Officer)</b>	
<b>Name:</b> Editha I. Alcantara	<b>Preferred Salutation:</b> Ms. Alcantara
<b>Title/Designation:</b> Treasurer	<b>Telephone Number:</b> 8982-3000
	<b>Fax Number:</b> 8982-3030
<b>Mailing Address:</b> Alsons Building, 2286 Chino Roces Avenue, Makati City 1231	<b>Email Address:</b> eia@alcantaragroup.com
<b>ISSUER REPRESENTATIVE*</b>	
<b>Name:</b> Philip Edward B. Sagun	<b>Preferred Salutation:</b> Mr. Sagun
<b>Title/Designation:</b> Deputy Chief Financial Officer	<b>Telephone Number:</b> 8982-3000
	<b>Fax Number:</b> 8982-3030
<b>Mailing Address:</b> Alsons Building, 2286 Chino Roces Avenue, Makati City 1231	<b>Email Address:</b> psagun@alcantaragroup.com
<b>BILLING CONTACT (if different from Issuer Representative)</b>	
<b>Name:</b>	<b>Preferred Salutation:</b>
<b>Title/Designation:</b>	<b>Telephone Number:</b>
	<b>Fax Number:</b>
<b>Mailing Address:</b>	<b>Email Address:</b>
<b>CORPORATE INFORMATION OFFICER**</b>	
<b>Name:</b> Atty. Jonathan F. Jimenez	<b>Preferred Salutation:</b> Mr. Jimenez
<b>Title/Designation:</b> Assistant Corporate Secretary	<b>Telephone Number:</b> 8982-3000
	<b>Mobile Number:</b>
<b>Mailing Address:</b> Alsons Building, 2286 Chino Roces Avenue, Makati City 1231	<b>Fax Number:</b> 8982-3030
	<b>Email Address:</b> jjimenez@alcantaragroup.com
<b>DEPUTY CORPORATE INFORMATION OFFICER***</b>	
<b>Name:</b> Philip Edward B. Sagun	<b>Preferred Salutation:</b> Mr. Sagun
<b>Title/Designation:</b> Deputy Chief Financial Officer	<b>Telephone Number:</b> 8982-3000
	<b>Mobile Number:</b>
<b>Mailing Address:</b> Alsons Building, 2286 Chino Roces Avenue, Makati City 1231	<b>Fax Number:</b> 8982-3030
	<b>Email Address:</b> psagun@alcantaragroup.com

\* **ISSUER REPRESENTATIVE:** Compliance Officer or equivalent officer authorized to receive all notices and communications from PDEX (other than those related to disclosures) for and on behalf of the Listed Issuer/Guarantor

\*\* **CORPORATE INFORMATION OFFICER:** Investor Relations contact authorized to liaise and communicate with PDEX in relation to Issuer/Guarantor disclosures.

\*\*\* **DEPUTY CORPORATE INFORMATION OFFICER:** Investor Relations contact authorized to liaise and communicate with PDEX in relation to Issuer/Guarantor disclosures in the absence of the Corporate Information Officer; the Issuer/Guarantor may designate more than one (1) Deputy Corporate Information Officer (attach additional sheets as necessary)

## SECTION B - SECURITY INFORMATION

(Attach additional sheets as necessary)

<b>Type of Security</b>		<input checked="" type="checkbox"/> Subject to SEC Registration		<input type="checkbox"/> Exempt from SEC Registration	
<b>Exact Title and Class of Security</b> ACR Commercial Paper Series T and Series U					<b>Currency</b> Philippines Peso
<b>Issue Date</b> 4th Quarter of 2022	<b>Maturity Date</b> 365 days or less	<b>Amount Issued</b> Php 1,135,000,000.00		<b>Amount Outstanding</b> Php 1,135,000,000.00	
<b>No. of Units</b> N/A	<b>Par Value</b> N/A	<b>Offering Price</b> Discount to face value		<b>Redemption Price</b> Face Value	
<b>Coupon Type</b> <input type="checkbox"/> Fixed Specify Rate _____ <input type="checkbox"/> Floating <input type="checkbox"/> Stepped <input checked="" type="checkbox"/> Zero-Coupon					
<b>Basis for Determining Rate for Floating Rate Securities</b> (indicate if information is otherwise included or contained in other documents submitted) N/A					
<b>Description of Stepped Coupon Provision, if any</b> (indicate if information is otherwise included or contained in other documents submitted) N/A					
<b>Coupon Frequency</b> <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual	<b>Coupon Payment Dates</b> N/A	<b>Day Count Convention</b> <input type="checkbox"/> 30E/360 ISMA <input checked="" type="checkbox"/> Actual/360 <input type="checkbox"/> Actual/365 <input type="checkbox"/> Actual/Actual		<b>WTPEI* Remittance Convention (for Bank-Issued Instruments Only)</b> <input type="checkbox"/> On settlement date of trade only <input type="checkbox"/> Up to the next business day after settlement date of a trade	
<b>Principal Repayment Schedule</b> <input checked="" type="checkbox"/> Balloon <input type="checkbox"/> Amortized (attach amortization schedule)			<b>Record Date</b> (no. of business days prior to Payment Date) 2 days	<b>Closed Period</b> Period from Record Date <input type="checkbox"/> Inclusive <input type="checkbox"/> Exclusive of Payment Date	
<b>Description of Pretermination Provisions, if any</b> N/A					
<b>Restrictions on Transfer of Security</b> <input checked="" type="checkbox"/> No restrictions <input type="checkbox"/> Restricted to Qualified Investors <input type="checkbox"/> Other Restrictions, pls. specify					
<b>Description of Guarantees/Credit Enhancements</b> None					
<b>Description of Convertibility Features, if any</b> N/A					
<b>Name of Registry</b> Philippine Depository and Trust Corporation					
Contact Person: Ms. Patricia Garcia		Telephone Numbers +63 2 8884 5000			
<b>Name of Facility Agent/Trustee or equivalent</b> AB Capital and Investment Corporation - Trust Department					
Contact Person: Mr. Michael A. Yuson		Telephone Number +63 2 8898 7550			
<b>Name(s) of Issue Manager(s)/Arranger(s)/Underwriter(s)/ Financial Advisor (s)</b> SB Capital Investment Corporation/ MIB Capital Corporation					
Contact Person: Mr. Daniel C. Locsin/ Ms. Patricia Flores		Telephone Number 09178152750/ +63 2 8811 0053			
<b>Other Salient Terms and Features of the Securities</b> (attach additional sheets as necessary, or indicate if information is otherwise included or contained in other documents submitted) Other salient terms found in the Terms and Conditions in the Prospectus and Offering Circular					

\* WTPEI refers to Withholding Tax on Previously Earned Interest, as defined under the PDEX Guidelines on the Trading and Settlement Environment for Long-Term Bank-Issued Instruments (the Guidelines). The Guidelines prescribe the market convention for withholding and remittance of the WTPEI for bank-issued instruments traded and settled in the PDEX system.

### SECTION C - DOCUMENTARY REQUIREMENTS

(Submit one original or certified true copy of each document, unless otherwise specified. Certified True Copies by the Corporate Secretary must be signed on all pages.)

Document/Information	Tick to indicate you are providing the information or document
<b>Documents Relating to the Issuer/Guarantor</b>	
SEC-certified copy of the latest articles of incorporation and by-laws of the Issuer/Guarantor or equivalent documents for other entities; or certified true copies thereof by the Corporate Secretary	
Original SEC certification attesting to the fact that the Issuer/Guarantor does not have a derogatory record with the SEC for 3 years prior to the Application, or for the period of its operating history, if shorter than 3 years	
Where applicable, a certification from another Exchange where the Issuer/Guarantor is listed, that the Issuer/Guarantor is in good standing, or that the Issuer's/ Guarantor's securities listed on such Exchange have not been subject to any involuntary delisting within three (3) years prior to the Application, or for the period of its operating history, if shorter than 3 years	
<b>Documents Relating to the Securities sought to be Listed (to be submitted by the Issuer only)</b>	
Secretary's Certificate covering authority for the issuance of the securities or equivalent documents for other entities; and where applicable, Secretary's Certificate covering the authority for the guarantee	
Sworn certification by the Issuer confirming that the Securities covered by the Application will be in scripless or dematerialized form, or for certificated securities outstanding prior to the effectivity of the PDEX Rules, immobilized and lodged with the Depository as allowed under PDEX Rules	
Copy of the agreement with the registry of the Securities	
Where applicable, a copy of the agreement for the immobilization of Securities with the qualified securities depository	
Copy of the agreement with the Underwriter(s)/Arranger(s)/Issue Manager(s)	
Sworn Certification executed by the appointed underwriter that a due diligence review on the Securities sought to be listed has been performed in accordance with applicable regulatory standards	
Copy of the trust indenture/trust agreement with a Trustee, or agreement with the Facility Agent, as applicable	
Copy of the latest credit rating report/s on the Issuer/Guarantor	
Copy of the agreement for rating of the Issuer/Guarantor with the credit rating agency	
Copy of the agreement for continual rating of the Securities and latest credit rating report on the Securities, where available	
Copy of the agreements with at least three (3) market makers	
Copy of the Prospectus, Offering Circular or Memorandum or such other information disclosure statement as may be required by the applicable law and regulation ("Information Memorandum")	
For registered Securities:	
a. copy of the Registration Statement duly stamped received by the SEC and a copy of the proof of publication of the filing of the Registration Statement	
b. copies of all supporting documents submitted to SEC related to the registration application (other than those listed in Sections C & D of this Application)	
c. copy of SEC order rendering Registration Statement effective certified as true by the SEC	
For exempt Securities:	
a. sworn certification stating the applicable SRC provision/s by which the Issuer is claiming exemption from registration or certified true copy of SEC exemption order/notice where applicable	
b. where applicable, copies of approvals obtained from governmental agencies for the issuance of the Securities	
<b>Documents Related to the Listing Application</b>	
Secretary's Certificate of the Issuer/Guarantor covering the authority to list the Securities or equivalent documents	
Secretary's Certificate of List of Authorized Signatories approved by the Board of the Issuer/Guarantor (original copy or certified true copy by the Corporate Secretary) setting forth the specimen signatures of the authorized signatories, or attaching original Specimen Signature Forms of such authorized signatories certified as true by the Corporate Secretary	

### SECTION D - INITIAL DISCLOSURE REQUIREMENTS

(Submit one copy per document, unless otherwise specified. Indicate if information is otherwise included or contained in other documents submitted.)

Document/Information	Tick to indicate you are providing the information or document
Audited financial statements for the last three (3) full years preceding the application of the Issuer/Guarantor prepared by an independent auditor in accordance with generally accepted accounting principles	
Names, addresses and contact numbers of all Directors of the Board (or equivalent body) of the Issuer/Guarantor	
Names, addresses, positions and contact numbers of senior management of the Issuer/Guarantor	
Disclosure of all information that would be material to an investor's decision to buy, sell or hold the Securities	
Opinion of legal counsels, and auditor/s that have passed on the Securities, where applicable	
Disclosure of any potential sources of conflict of interest such as related party transactions, relationship between the Issuer/Guarantor and the underwriters/issue managers/arrangers, common directors/owners, among others, if any	
Disclosure of pending civil, criminal, or administrative cases, as well as those decided with finality during the past five (5) years from date hereof, or claims filed by or against the Issuer/Guarantor, or any of the Issuer's/Guarantor's subsidiaries, subdivisions, affiliates or any of its officers or directors in any local or foreign jurisdiction, if any	

## SECTION E - THE LISTING AGREEMENT

IN CONSIDERATION of the listing of the securities in this Listing Application, the Undersigned and the Issuer/Guarantor hereby agree:

1. To be bound by the PDEX Rules on Listing and Enrollment, the Trading and Settlement Rules, Conventions, and applicable Operating Guidelines pertaining to the listed securities referred to in this Listing Application, as may be amended from time to time.
2. That the listing shall be admitted in accordance with the applicable rules of PDEX (particularly Rule 7 or its successor rule), as may be amended from time to time.
3. That the listing is based on information given in the Application Form. Any changes in the form or nature of such listed securities, or in the rights or privileges of the holders thereof that would affect the technical configuration of the security on the PDEX Trading System shall entitle PDEX to advance written notice of no less than thirty (30) days prior to the intended effectivity of such change. Such material changes if not corrected in the trading system prior to the effectivity of such changes may cause the suspension or termination of our listed security/ies.
4. That failure to comply with the provisions of this Agreement or the relevant PDEX Rules under which this listing is granted, shall give PDEX the right to take any action as it may deem appropriate.
5. To furnish PDEX such information required in the Application Form and as may be required in respect of the security to be listed, and hereby acknowledge PDEX' reliance on the information, documents and representations given by us, and therefore represent and warrant that all information given in this Listing Application, and other information filed and submitted pursuant to the Application, all of which are made a part hereof, are true, accurate, current and complete which information we undertake to maintain in such truthful, accurate, complete and current state.
6. That PDEX is authorized to verify the information stated herein from any and all sources, and in any reasonable manner. By giving this authority, the undersigned and Issuer/Guarantor hereby waives its right to privacy or confidentiality that may exist by law or by contract with respect to the information contained herein. All costs incurred for purposes hereof shall be borne by the Issuer/Guarantor provided that it was given prior notice of the verification activities to be conducted.
7. That PDEX shall be indemnified to the fullest extent permitted by law in respect of any claim, action or expense arising from, or connected with, any breach of the warranties in this Agreement.
8. That PDEX may publish transitional arrangements for any new rule, convention or operating guideline, which we agree to comply with to the extent of their applicability to our listed security.
9. That PDEX may insert or include our company logo(s) and other similar intellectual property in PDEX advertising or information materials, in print or electronically, where appropriate unless you notify us to the contrary. PDEX

acknowledges that such use will not amount to any transfer of ownership to it.

10. If any provision hereunder becomes invalid, illegal, or unenforceable under any law, rule, or regulation, the validity, legality, and enforceability of the remaining provisions and this Agreement shall not be affected or impaired.
11. That a document given to PDEX, in support of this Listing Application or in compliance with the relevant PDEX Rules, without any qualification, becomes and remains the property of PDEX, to deal with as it wishes, including copying, storing in a retrieval system, transmitting to the public, and publishing any part thereof and permitting others to do so.
12. That in any proceedings, a copy or extract of any document or information given to PDEX is warranted to be a faithful reproduction of the original.
13. To pay the relevant fees in relation to the Listed Security/ies in respect of the listing, as the same is made known to us and as the same is amended from time to time, with prior notice to us.
14. PDEX may rely upon as genuine, without any liability on its part, on any instructions, data, message, mail, communication or other documents, whether in printed or electronic form (or the signature thereon and a facsimile) believed by it in good faith to be given by the Issuer or its authorized personnel. Provided that PDEX is not guilty of gross negligence or willful misconduct, PDEX shall have no responsibility for any losses or liabilities whatsoever should such instructions or documents (or the signature thereon) turn out to be unauthorized, erroneous, or fraudulent. PDEX may at any time give notice to Issuer that it will refuse to accept further instructions given by facsimile transmission. Where this indemnity is given by two or more parties, the liability of such parties to PDEX hereunder shall be joint and several.

The undersigned, being first duly sworn, deposes and says that he/she has executed this form on behalf of, and with the authority of said Applicant.

*Applicant*

By:

PHILIP EDWARD B. SAGUN, DEPUTY CHIEF FINANCIAL OFFICER  
Signature above Printed Name and Title

Signature above Printed Name and Title

Date Signed:

*Acceptance of PDEX*

By:

Antonino A. Nakpil/President & COO

Date Accepted:

I certify that on this date, before me, a Notary Public duly authorized in the City of Makati to take acknowledgements, personally appeared:

Name	CTC No.	Date/Place Issued	Government ID No.	Issue Date/ Expiry Date
PHILIP EDWARD B. SAGUN		Oct. 15, 2021	PP: P7881446B	Oct. 14/ 2031

who were identified by me through competent evidence of identity to be the same persons described in the foregoing instrument, who acknowledged before me that their respective signatures on the instrument were voluntarily affixed by them for the purposes stated therein, and who declared to me that they have executed the instrument as their free and voluntary act and deed and that they have the authority to sign on behalf of their respective principals.

IN WITNESS WHEREOF, I hereunto set my hand and affix my notarial seal on the date and at the place above written.

Doc. No.: \_\_\_\_\_;  
Page No.: \_\_\_\_\_;  
Book No.: \_\_\_\_\_;  
Series of 20\_\_\_\_\_.

**CERTIFICATION ON THE  
PERFORMANCE OF DUE DILIGENCE**

We, **DAISY S. GARCIA, SENIOR DIRECTOR/HEAD OF SYNDICATE AND DISTRIBUTION** and **DANIEL JAMES C. LOCSIN, ASSOCIATE DIRECTOR** of SB Capital Investment Corporation (the "**SB Capital**"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines and licensed to operate as an investment house therein, with principal office address at 18th Floor, Security Bank Centre, 6776, Ayala Avenue, Makati, 1200 Metro Manila, after having been sworn in accordance with law, hereby certify that:

1. SB Capital has been engaged as the Issue Manager, Lead Underwriter and Bookrunner in connection with the proposed registration and public offer by ALSONS CONSOLIDATED RESOURCES, INC. ("**ACR**" or the "**Company**") of commercial papers in the aggregate principal amount of up to One Billion One Hundred Thirty Five Million Pesos (Php1,135,000,000.00) (the "**CPs**") to be issued as the first tranche under its Three Billion Pesos (Php3,000,000,000.00) commercial paper program.

2. We certify that SB Capital has undertaken the requisite due diligence over the Company as issuer of the CPs in accordance with the Omnibus Rules and Regulations for Investment House and Universal Banks registered as Underwriter of Securities.

3. This Certification is issued in compliance with the requirements of the Securities and Exchange Commission.

**IN WITNESS WHEREOF**, we have hereunto set our hands on date and in the place below-stated.



**Daisy S. Garcia**  
Senior Director/  
Head of Syndicate and Distribution




**Daniel James C. Locsin**  
Associate Director

SUBSCRIBED AND SWORN to before me this 22 SEP 2022, in Makati City, Philippines,  
above-named affiant who personally appeared with his/her respective identification, to wit:

Name	Driver's License/ Passport No.	Issued On / Expiry Date	Issued At
<b>SB Capital Investment Corporation</b>  <i>Represented by:</i>  Daisy S. Garcia	Driver's License No. <sup>4</sup> N02-90-131987	Issue Date: 08/02/2019  Exp Date: 08/14/2024	LTO
Daniel C. Locsin	Passport No. P8861207A	Issue Date: 9/24/2018  Exp Date: 9/23/2028	DFA NCR East

Witness my hand and seal on the date and place first abovementioned.

Doc No. 491 ;  
Page No. 10 ;  
Book No. X ;  
Series of 2022

  
**ATTY. HENSON M. MONTALVO, CPA**  
NOTARY PUBLIC FOR AND IN THE CITY OF MAKATI  
UNTIL DECEMBER 31, 2022 per B.M. No.3795  
APPOINTMENT No. M-225; ROLL No. 65865  
IBP No. 171706; 01/04/2022; PPLM CHAPTER  
PTR No.; 8852586; 01/03/2022; MAKATI CITY  
20/F SECURITY BANK CENTRE, 6776 AYALA AVE., MAKATI CITY

# Biodata



**ALSONS CONSOLIDATED RESOURCES, INC.**

Alsons Bldg., 2286 Chino Roces Avenue, Makati City

**Biographical Data**

**ALEXANDER BENHUR M. SIMON**

*[Name]*

**Vice President and Group Chief Finance Officer**

*[Position]*

I hereby certify that the information contained in this document and its supporting schedule of my own knowledge is true and correct.

**SEP 22 2022**

Date



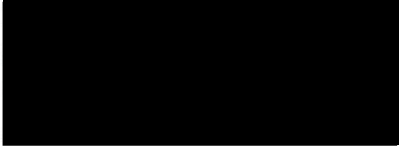


Signature

SUBSCRIBED AND SWORN TO BEFORE ME, this  
**SEP 22 2022** at **City of Makati** affiant exhibiting to me his  
[Redacted] valid until August 6, 2024.

Doc No. **182**;  
Page No. **38**;  
Book No. **I**;  
Series of 2022.

**ATTY. EDWARD FRANCIS ALARABE**  
COMMISSION NO. M-103  
NOTARY PUBLIC FOR MAKATI CITY  
UNTIL 31 DECEMBER 2023  
UNIT 8A 8/F SAGITTARIUS OFFICE CONDOMINIUM  
111 H.V DELA COSTA STREET, SALCEDO VILLAGE  
BRGY BEL-AIR 1209 MAKATI CITY  
SCRB No. 14717/07-15-2020  
IBP No. 177366/02-07-2022/Makati City  
PTR No. MKT8857127/01-10-2022/Makati City

## I. PERSONAL

1. Name : Alexander Benhur Mateo Simon
2. Citizenship : Filipino
3. Date of Birth : 
4. Place of Birth : Mandaluyong City, Philippines
5. Civil Status : Married
6. Name of Spouse : 
7. Name of Children : 
8. Residence Address & Phone No.
  - (a) Present : 
  - (b) Past fifteen (15) years :
9. Business Address & Telephone No. : 
10. For Alien only
  - (a) ACR No. & Date : N/A
  - (b) Department of Labor and Employment Registration No. & Date : N/A

## II. EDUCATION AND TRAINING

11. College or University Education or Highest Educational Attainment, if not a degree holder.

DEGREE/COURSE	SCHOOL LAST ATTENDED	YEAR GRADUATED/ YEARS ATTENDED (if not graduated)
Master of Applied Business Economics	Center for Research and Communication (CRC)	July 1991 to August 1993
Master of Business Administration – Major in Finance	Pepperdine University, USA	August 1988 to August 1989
Master of Business Administration	California State University, USA	September 1987 to July 1988
Bachelor of Science in Management Engineering	Ateneo de Manila University	June 1980 to April 1985

12. Training in Financial Management and Other Related Fields

NATURE/TITLE	CONDUCTED BY	YEAR TAKEN
Certified Management Accountant	Institute of Certified Management Accounts (ICMA), Australia	December 2004
Certified Financial Consultant	Institute of Financial Consultants (IFC), Canada/USA	December 2006
Registered Financial Planner	Registered Financial Planning Institute (RFPI), USA	August 2007
Diploma in International Financial Reporting Standards	Institute of Accounting Technicians (IAT), Canada	September 2010

### III. WORK EXPERIENCE

13. Present Position – This Institution

NAME OF OFFICE	POSITION	DATE ASSUMED
Alsons Consolidated Resources, Inc.	Vice President and Group Chief Finance Officer	February 2021

14. Present Positions (including corporate directorship) – Other Private Institutions – Please refer to attachment

15. Present Positions (including directorship) - Government

NAME OF OFFICE	POSITION	INDICATE IF ELECTIVE or APPOINTIVE and PART TIME or FULL TIME
N/A	N/A	N/A

16. Past Position – This Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
N/A	N/A	N/A

17. Past Position (including corporate directorship) – Other Private Institution (last 10 years)

NAME OF OFFICE	POSITION	DATE ASSUMED
Metro Pacific Investments Corporation (MPIC) Group of Companies	Chief Finance Officer at Metro Vantage Properties, Inc. (MVPI) and Global Business Power Holdings Corporation (GBPHC)	May 2017 to August 2019
SMC Global Power Holdings, Inc.	Chief Finance Officer	August 2011 to March 2017

18. Past Position (including directorship) - Government

NAME OF OFFICE	POSITION	DURATION
N/A	N/A	N/A

#### IV. FAMILY RELATIONS

19. Name of Spouse (Surname, Given, Middle):

[REDACTED]

20. Taxpayer's Identification Number (TIN):

[REDACTED]

21. First Degree Relatives (of legal age only) – By consanguinity

NAME (Surname, Given, Middle)	RELATIONSHIP
[REDACTED]	

22. First Degree Relatives (of legal age only) – By affinity

NAME (Surname, Given, Middle)	RELATIONSHIP
[REDACTED]	

23. Is your spouse an Officer/Director of corporations, associations or firms other than this Institution? NO

If yes, please state:

CORPORATION/ASSOCIATION/FIRM	POSITION
N/A	N/A

24. Have you ever been convicted judicially or administratively of an offense or judicially declared insolvent, spendthrift or incapacitate to contract? NO

If yes, please state:

PARTICULARS/ NATURE OF OFFENSE	JURISDICTION	DATE INFORMATION/ COMPLAINT/ PLEADING FILED
N/A	N/A	N/A

Note: Please add other information you may wish to consider in this regard.  
Use additional sheet if necessary.

Present Positions – Other Private Institutions

NAME OF OFFICE	POSITION	DATE ASSUMED
A/S Power Development, Inc.	VP and Group CFO	February 2021
Acil Corporation	Group CFO	February 2021
ACR Mining Corporation	Group CFO and Treasurer	February 2021
Alabel Solar Energy Corporation	VP and Group CFO	February 2021
Alsing Power Holdings, Inc.	VP and Group CFO	February 2021
Alsons Aquaculture Corporation	Group CFO	February 2021
Alsons Corporation	Group CFO	February 2021
Alsons Development and Investment Corporation	Group CFO	February 2021
Alsons Energy Development Corporation	VP and Group CFO	February 2021
Alsons Insurance Brokers Corporation	Group CFO	February 2021
Alsons Land Corporation	Group CFO	February 2021
Alsons Power Holdings Corporation	VP and Group CFO	February 2021
Alsons Power Supply Corporation	VP and Group CFO	February 2021
Alsons Properties Corporation	Group CFO	February 2021
Alsons Realty Corporation	Group CFO	February 2021
Alsons Renewable Energy Corporation	VP and Group CFO	February 2021
Alto Power Management Corporation	VP and Group CFO	February 2021
Aquasur Resources Corporation	Group CFO	February 2021
Bago Hydro Resources Corporation	VP and Group CFO	February 2021
Buayan Cattle Co., Inc.	Group CFO	February 2021
Celestial Holdings, Inc.	Group CFO	February 2021
Centro Ridge Land, Inc.	Group CFO	February 2021
Conal Corporation	Group CFO	February 2021

Conal Holdings Corporation	VP and Group CFO	February 2021
Felicidad Holdings, Inc.	Group CFO	February 2021
Finfish Hatcheries, Inc.	Group CFO	February 2021
Kalaong Hydro Power Corporation	VP and Group CFO	February 2021
Kamanga Agro-Industrial Ecozone Development Corporation	Group CFO	February 2021
Made (Market Developers), Inc.	Group CFO	February 2021
Mapalad Holdings, Inc.	Group CFO	February 2021
Mapalad Power Corporation	VP and Group CFO	February 2021
Prime Stock Transfer Services, Inc.	Group CFO	February 2021
RCP Holdings, Inc.	Group CFO	February 2021
Sarangani Agricultural Co., Inc.	Group CFO	February 2021
Sarangani Cattle Co., Inc.	Group CFO	February 2021
Seawood Holdings, Inc.	Group CFO	February 2021
Siguil Hydro Corporation	VP and Group CFO	February 2021
Sindangan Zambo-River Power Corporation	VP and Group CFO	February 2021
Southern Philippines Power Corporation	VP and Group CFO	February 2021
Sunfoods Agri Ventures, Inc.	Group CFO	February 2021
Western Mindanao Power Corporation	VP and Group CFO	February 2021



**ALSONS CONSOLIDATED RESOURCES, INC.**

Alsons Bldg., 2286 Chino Roces Avenue, Makati City

**Biographical Data**

**ANA MARIA MARGARITA A.  
KATIGBAK**

*[Name]*

**CORPORATE SECRETARY**

*[Position]*

I hereby certify that the information contained in this document and its supporting schedule of my own knowledge is true and correct.

SEP 15 2022

Date

  
Signature






SUBSCRIBED AND SWORN TO BEFORE ME, this  
SEP 15 2022 at MAKATI CITY affiant exhibiting to me her

Doc No. 102;  
Page No. 22;  
Book No. XIV;  
Series of 2022.



  
**PORTIA JESSICA J. MACLAN**  
Appointment No. M-125  
Notary Public for Makati City  
Until December 31, 2023  
Castillo Laman Tan Pantaleon  
& San Jose Law Firm  
The Valero Tower, 122 Valero Street  
Salcedo Village, Makati City  
PTR No. 8853447; 01-03-2022; Makati City  
CP No. 174017; 01-03-2022; Makati Chapter  
CLE No. VII-0014242; valid from 03-31-2022  
valid until 04-14-2025; Pasig City  
Roll No. 73308

**I. PERSONAL**

1. Name : Ana Maria Margarita Alvarez Katigbak
2. Citizenship : Filipino
3. Date of Birth : 
4. Place of Birth : Manila
5. Civil Status : Widow
6. Name of Spouse : 
7. Name of Children : 
8. Residence Address & Telephone No.:
  - (a) Present : 
  - (b) Past fifteen (15) years : Same
9. Business Address & Telephone No.: 
10. For Alien only
  - (a) ACR No. & Date : Not Applicable
  - (b) Department of Labor and Employment Registration No. & Date :

## II. EDUCATION AND TRAINING

11. College or University Education or Highest Educational Attainment, if not a degree holder.

DEGREE/COURSE	SCHOOL LAST ATTENDED	YEAR GRADUATED/ YEARS ATTENDED (if not graduated)
LLB	University of the Philippines, Diliman College of Law	1994
BACL	University of the Philippines, Diliman College of Arts and Letters	1990

12. Training in Financial Management and Other Related Fields

NATURE/TITLE	CONDUCTED BY	YEAR TAKEN

## III. WORK EXPERIENCE

13. Present Position – This Institution

NAME OF OFFICE	POSITION	DATE ASSUMED
Alsons Consolidated Resources, Inc.	Corporate Secretary	May 2021

14. Present Positions (including corporate directorship) – Other Private Institutions

NAME OF OFFICE	POSITION	INDICATE IF OWNER, PARTNER or STOCKHOLDER
----------------	----------	---

Castillo Laman Tan Pantaleon & San Jose	Partner	2005-present
Mabuhay Holdings Corporation	Director	2007-present
IPM Holdings, Inc.	Corporate Secretary	2007-present

15. Present Positions (including directorship) - Government

NAME OF OFFICE	POSITION	INDICATE IF ELECTIVE or APPOINTIVE and PART TIME or FULL TIME
N/A		

16. Past Position – This Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION

17. Past Position (including corporate directorship) – Other Private Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
Castillo Laman Tan Pantaleon & San Jose	Junior Associate and Senior Associate	1995 - 2005

18. Past Position (including directorship) - Government

NAME OF OFFICE	POSITION	DURATION

#### IV. FAMILY RELATIONS

19. Name of Spouse (Surname, Given, Middle):

[REDACTED]

20. Taxpayer's Identification Number (TIN):

[REDACTED]

21. First Degree Relatives (of legal age only) – By consanguinity

NAME (Surname, Given, Middle)	RELATIONSHIP
[REDACTED]	[REDACTED]

22. First Degree Relatives (of legal age only) – By affinity

NAME (Surname, Given, Middle)	RELATIONSHIP

23. Is your spouse an Officer/Director of corporations, associations or firms other than this Institution? Yes / No

If yes, please state:

CORPORATION/ASSOCIATION/FIRM	POSITION

24. Have you ever been convicted judicially or administratively of an offense or judicially declared insolvent, spendthrift or incapacitate to contract?

Yes / No

If yes, please state:

PARTICULARS/ NATURE OF OFFENSE	JURISDICTION	DATE INFORMATION/ COMPLAINT/ PLEADING FILED

Note: Please add other information you may wish to consider in this regard.  
Use additional sheet if necessary.

===NOTHING FOLLOWS===



**ALSONS CONSOLIDATED RESOURCES, INC.**

Alsons Bldg., 2286 Chino Roces Avenue, Makati City

**Biographical Data**

ANTONIO MIGUEL B. ALCANTARA

[Name]

CHIEF INVESTMENT & STRATEGY OFFICER

[Position]

I hereby certify that the information contained in this document and its supporting schedule of my own knowledge is true and correct.

01 SEP 2022

Date

Signature

SUBSCRIBED AND SWORN TO BEFORE ME, this  
01 SEP 2022 at PARAÑAQUE CITY affiant exhibiting to me his Tax



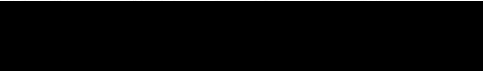
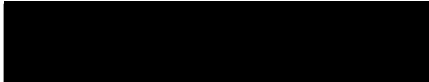
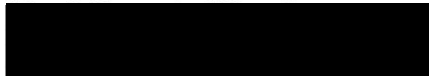
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Doc No. 127  
Page No. 27  
Book No. 12  
Series of 2022.



**ATTY. VILMA HILDA VILLANUEVA-FABELLA**  
NOTARY PUBLIC  
Until December 31, 2022  
IBP No. 196528/1-05-2022/PPLM  
PTR No. 2910162/1-07-2022/Parañaque  
Roll No. 41901  
Not. Com. No. 119-2021/1-04-2021

**I. PERSONAL**

1. Name : **Antonio Miguel Barcia Alcantara**
2. Citizenship : Filipino
3. Date of Birth : 
4. Place of Birth : Manila
5. Civil Status : Married
6. Name of Spouse : 
7. Name of Children : 
8. Residence Address & Telephone No.
  - (a) Present : 
  - (b) Past fifteen (15) years : 
9. Business Address & Telephone No. :

Alsons Building, 2286 Chino Roces Avenue  
Makati City 1231, Tel no. 8982-3000
10. For Alien only
  - (a) ACR No. & Date : N/A
  - (b) Department of Labor and  
Employment Registration  
No. & Date : N/A

## II. EDUCATION AND TRAINING

11. College or University Education or Highest Educational Attainment, if not a degree holder.

DEGREE/COURSE	SCHOOL LAST ATTENDED	YEAR GRADUATED/ YEARS ATTENDED (if not graduated)
B.S. Business Administration, Finance and Marketing	Northeastern University, Boston MA	May 2007
Master in Business Administration	Babson College, F.W. Olin Graduate School of Business, Wellesley, MA	May 2020

12. Training in Financial Management and Other Related Fields

NATURE/TITLE	CONDUCTED BY	YEAR TAKEN

## III. WORK EXPERIENCE

13. Present Position – This Institution

NAME OF OFFICE	POSITION	DATE ASSUMED
Alsons Consolidated Resources, Inc.	Chief Investment & Strategy Officer	February 2021

14. Present Positions (including corporate directorship) – Other Private Institutions

NAME OF OFFICE	POSITION	INDICATE IF OWNER, PARTNER or STOCKHOLDER
WESTERN MINDANAO POWER CORPORATION	Director & Deputy CEO	Stockholder

SOUTHERN PHILS. POWER CORPORATION	Director & Deputy CEO	Stockholder
CONAL HOLDINGS CORPORATION	Director & Deputy CEO	Stockholder
ALSING POWER HOLDINGS, INC.	Director & Deputy CEO	Stockholder
ALTO POWER MANAGEMENT CORPORATION	Deputy CEO	Stockholder
MAPALAD POWER CORPORATION	Director & Deputy CEO	Stockholder
ALSONS RENEWABLE ENERGY CORPORATION	Director & Deputy CEO	Stockholder
SIGUIL HYDRO POWER CORPORATION	Director & Deputy CEO	Stockholder
KALAONG HYDRO POWER CORPORATION	Director & Deputy CEO	Stockholder
BAGO HYDRO RESOURCES CORPORATION	Director & Deputy CEO	Stockholder
ALSONS ENERGY DEVELOPMENT CORPORATION	Director & Deputy CEO	Stockholder
ALSONS POWER SUPPLY CORPORATION	Director & Deputy CEO	Stockholder
SINDANGAN ZAMBO-RIVER POWER CORP.	Director & Deputy CEO	Stockholder
A/S POWER DEVELOPMENT INC.	Director & Deputy CEO	Stockholder
ALABEL SOLAR ENERGY CORPORATION	President	Stockholder
SARANGANI LOGISTICS SERVICES INC.	Director	Stockholder
ALSONS INSURANCE and REINSURANCE BROKERS CORP.	Director	Stockholder
ALSONS DEV'T. & INVS'T. CORP.	Director	Stockholder
G3 AQUAVENTURES INC.	Director & Treasurer	Stockholder
SUNFARMS AGRIVENTURE CORP.	Director	Stockholder
AG PROTECTIVE SERVICES, INC.	Director	Stockholder
KAMANGA AGRO-INDL ECOZONE DEVLMENT CORP.	Director	Stockholder

15. Present Positions (including directorship) - Government

NAME OF OFFICE	POSITION	INDICATE IF ELECTIVE or APPOINTIVE and PART TIME or FULL TIME
	N/A	

16. Past Position – This Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
WESTERN MINDANAO POWER CORPORATION	Director & Deputy CEO	2020- up to present
SOUTHERN PHILS. POWER CORPORATION	Director & Deputy CEO	2020- up to present
CONAL HOLDINGS CORPORATION	Director & Deputy CEO	2020- up to present
ALSING POWER HOLDINGS, INC.	Director & Deputy CEO	2020- up to present
ALTO POWER MANAGEMENT CORPORATION	Deputy CEO	2020- up to present
MAPALAD POWER CORPORATION	Director & Deputy CEO	2011- up to present
ALSONS RENEWABLE ENERGY CORPORATION	Director & Deputy CEO	2020- up to present
SIGUIL HYDRO POWER CORPORATION	Director & Deputy CEO	2019- up to present
KALAONG HYDRO POWER CORPORATION	Director & Deputy CEO	2019- up to present
BAGO HYDRO RESOURCES CORPORATION	Director & Deputy CEO	2018- up to present
ALSONS ENERGY DEVELOPMENT CORPORATION	Director & Deputy CEO	2011- up to present
ALSONS POWER SUPPLY CORPORATION	Director & Deputy CEO	2017- up to present
SINDANGAN ZAMBO-RIVER POWER CORP.	Director & Deputy CEO	2018- up to present
A/S POWER DEVELOPMENT INC.	Director & Deputy CEO	2013- up to present
ALABEL SOLAR ENERGY CORPORATION	President	2016- up to present
SARANGANI LOGISTICS SERVICES INC.	Director	2018- up to present

ALSONS INSURANCE and REINSURANCE BROKERS CORP.	Director	
ALSONS DEV'T. & INVS'T. CORP.	Director	
G3 AQUAVENTURES INC.	Director & Treasurer	
SUNFARMS AGRIVENTURE CORP.	Director	
AG PROTECTIVE SERVICES, INC.	Director	
KAMANGA AGRO-INDL ECOZONE DEVLMENT CORP.	Director	

17. Past Position (including corporate directorship) - Other Private Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
Hidalgo Partners Holdings, Inc.	Director/ Stockholder	
Omotenashi International, Inc.	Director/ Stockholder	
Mapalad Partners, Inc.	Director/ Stockholder	
Chrono Pipe Group Corporation	Director/ Stockholder	

18. Past Position (including directorship) - Government

NAME OF OFFICE	POSITION	DURATION
	N/A	

#### IV. FAMILY RELATIONS

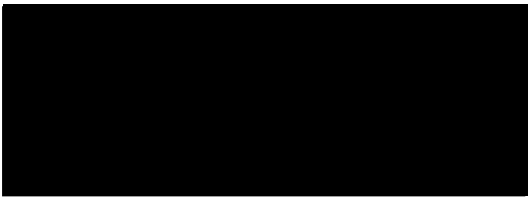

19. Name of Spouse (Surname, Given, Middle):

[REDACTED]



20. Taxpayer's Identification Number (TIN):

[REDACTED]

21. First Degree Relatives (of legal age only) - By consanguinity

NAME (Surname, Given, Middle)	RELATIONSHIP
	

22. First Degree Relatives (of legal age only) – By affinity

NAME (Surname, Given, Middle)	RELATIONSHIP
	

23. Is your spouse an Officer/Director of corporations, associations or firms

other than this Institution? Yes / No

If yes, please state:

CORPORATION/ASSOCIATION/FIRM	POSITION
St. Botolph Development Corporation	Treasurer
Northcote Realty and Development Corporation	Corporate Secretary

24. Have you ever been convicted judicially or administratively of an offense or judicially declared insolvent, spendthrift or incapacitate to contract?

Yes / No

If yes, please state:

PARTICULARS/ NATURE OF OFFENSE	JURISDICTION	DATE INFORMATION/ COMPLAINT/ PLEADING FILED
	N/A	

===NOTHING FOLLOWS===



**ALSONS CONSOLIDATED RESOURCES, INC.**

Alsons Bldg., 2286 Chino Roces Avenue, Makati City

**Biographical Data**

**ALEXIS B. DELA CUESTA**

*[Name]*

**Internal Auditor**

*[Position]*

I hereby certify that the information contained in this document and its supporting schedule of my own knowledge is true and correct.

12 September 2022


Date

  
Signature

SUBSCRIBED AND SWORN TO BEFORE ME, this 12 SEP 2022 at  
PARAÑAQUE CITY affiant exhibiting to me his/her [REDACTED]

Doc No. 149;  
Page No. 31;  
Book No. 12;  
Series of 2022.



  
**ATTY. VILMA HILDA VILLANUEVA-FABELLA**  
NOTARY PUBLIC  
Until December 31, 2022  
IBP No. 195528/1-05-2022/PPLM  
PTR No. 2910162/1-07-2022/Parañaque  
Roll No. 41901  
Not. Com. No. 119-2021/1-04-2021

**I. PERSONAL**

1. Name : ALEXIS B. DELA CUESTA
2. Citizenship : Filipino
3. Date of Birth : [REDACTED]
4. Place of Birth : San Nicolas, Ilocos Norte
5. Civil Status : Married
6. Name of Spouse : [REDACTED]
7. Name of Children : [REDACTED]
8. Residence Address & Telephone No.
  - (a) Present : [REDACTED]
  - (b) Past fifteen (15) years : [REDACTED]
9. Business Address & Telephone No. : 3<sup>rd</sup> Floor Alsons Building  
2286 Chino Roces Avenue Extension  
Makati City  
Telephone No. 8982-3083
10. For Alien only
  - (a) ACR No. & Date :
  - (b) Department of Labor and  
Employment Registration  
No. & Date :

## II. EDUCATION AND TRAINING

11. College or University Education or Highest Educational Attainment, if not a degree holder.

DEGREE/COURSE	SCHOOL LAST ATTENDED	YEAR GRADUATED/ YEARS ATTENDED (if not graduated)
BS Accountancy	Mariano Marcos State University (MMSU), College of Business, Economics & Accountancy (CBEA)	1995

12. Training in Financial Management and Other Related Fields

NATURE/TITLE	CONDUCTED BY	YEAR TAKEN
9 <sup>th</sup> National FRAUD Conference	Association of Certified Fraud Examiners (ACFE) – Philippines Chapter	2021
Asia-Pacific FRAUD Conference	Association of Certified Fraud Examiners (ACFE)	2020
7 <sup>th</sup> FRAUD Conference Manila	Association of Certified Fraud Examiners (ACFE) – Philippines Chapter	2019

## III. WORK EXPERIENCE

13. Present Position – This Institution

NAME OF OFFICE	POSITION	DATE ASSUMED
ALSONS CONSOLIDATED RESOURCES, INC.	Internal Auditor	May 26, 2022

14. Present Positions (including corporate directorship) – Other Private Institutions

NAME OF OFFICE	POSITION	INDICATE IF OWNER, PARTNER or STOCKHOLDER
CATHEDRAL OF PRAISE, INC.	Member, Executive Council of Servants (Board level)  Head of Audit Committee	Voting Corporate Member (non-stock, non-profit religious institution)

15. Present Positions (including directorship) - Government

NAME OF OFFICE	POSITION	INDICATE IF ELECTIVE or APPOINTIVE and PART TIME or FULL TIME
None.	None.	None.

16. Past Position – This Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
Not applicable.	Not applicable.	Not applicable.

17. Past Position (including corporate directorship) – Other Private Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
CATHEDRAL OF PRAISE, INC.	Treasurer (part-time; volunteer)	2019-2020

18. Past Position (including directorship) - Government

NAME OF OFFICE	POSITION	DURATION
None.	None.	None.

#### IV. FAMILY RELATIONS

19. Name of Spouse (Surname, Given, Middle):

[REDACTED]

20. Taxpayer's Identification Number (TIN):

[REDACTED]

21. First Degree Relatives (of legal age only) – By consanguinity

NAME (Surname, Given, Middle)	RELATIONSHIP
[REDACTED]	[REDACTED]

22. First Degree Relatives (of legal age only) – By affinity

NAME (Surname, Given, Middle)	RELATIONSHIP
[REDACTED]	[REDACTED]

23. Is your spouse an Officer/Director of corporations, associations or firms other than this Institution? Yes / No

If yes, please state:

CORPORATION/ASSOCIATION/FIRM	POSITION

24. Have you ever been convicted judicially or administratively of an offense or judicially declared insolvent, spendthrift or incapacitate to contract?

Yes / ☒ No

If yes, please state:

PARTICULARS/ NATURE OF OFFENSE	JURISDICTION	DATE INFORMATION/ COMPLAINT/ PLEADING FILED

Note: Please add other information you may wish to consider in this regard. Use additional sheet if necessary.



**ALSONS CONSOLIDATED RESOURCES, INC.**

Alsons Bldg., 2286 Chino Roces Avenue, Makati City

**Biographical Data**

**ARTURO B. DIAGO, JR.**

*[Name]*

**DIRECTOR**

*[Position]*

I hereby certify that the information contained in this document and its supporting schedule of my own knowledge is true and correct.

September 2, 2022


Date

  
Signature



SUBSCRIBED AND SWORN TO BEFORE ME, this 02 SEP 2022 at  
PARAÑAQUE CITY affiant exhibiting to me his [REDACTED]

Doc No. 132;  
Page No. 286;  
Book No. 12;  
Series of 2022.



  
**ATTY. VILMA HILDA VILLANUEVA-FABELLA**  
NOTARY PUBLIC  
Until December 31, 2022  
IBP No. 196528/1-05-2022/PPLM  
PTR No. 2910162/1-07-2022/Parañaque  
Roll No. 41901  
Not. Com. No. 119-2021/1-04-2021

**I. PERSONAL**

1. Name : **ARTURO B. DIAGO, JR.**
2. Citizenship : **FILIPINO**
3. Date of Birth : 
4. Place of Birth : **Baliangao, Misamis Occidental**
5. Civil Status : **Single**
6. Name of Spouse : **N/A**
7. Name of Children : **N/A**
8. Residence Address & Telephone No.
  - (a) Present : 
  - (b) Past fifteen (15) years : **same**
9. Business Address & Telephone No. : **16/F DPC Place, 2322 Don Chino Roces Avenue, Makati City**
10. For Alien only
  - (a) ACR No. & Date : **N/A**
  - (b) Department of Labor and Employment Registration No. & Date : **N/A**

## II. EDUCATION AND TRAINING

11. College or University Education or Highest Educational Attainment, if not a degree holder.

DEGREE/COURSE	SCHOOL LAST ATTENDED	YEAR GRADUATED/ YEARS ATTENDED (if not graduated)
Master in Business Management	Asian Institute of Management	1979

12. Training in Financial Management and Other Related Fields

NATURE/TITLE	CONDUCTED BY	YEAR TAKEN
Master in Business Economics	University of Asia & the Pacific	2018

## III. WORK EXPERIENCE

13. Present Position - This Institution

NAME OF OFFICE	POSITION	DATE ASSUMED
DIRECTORIES PHILIPPINES CORPORATION	Chief Operating Officer/ Treasurer/Board Member	January 1990

14. Present Positions (including corporate directorship) - Other Private Institutions

NAME OF OFFICE	POSITION	INDICATE IF OWNER, PARTNER or STOCKHOLDER
Cyan Mgt Corporation	Treasurer / Board Member	Stockholder
Golden Bear Travel Corp	Treasurer / Board Member	Stockholder
MG EXEO Network Inc.	Chairman / President	Stockholder
Telephilippines Inc.	Treasurer	
Mantrade Dev Corp	Director	
911 Alarm Inc	Treasurer/Director	Stockholder
Vinnel Belvoir Corp	Director	Stockholder
Rogers Multi Ventures Inc	Director	Stockholder
Cinemalaya Foundation Inc	Trustee	Stockholder
Asian Institute for Distance Education Foundation Inc	Independent Director	
Megaport Logistics and Equipment Inc	Chairman	Stockholder

AsiaPhil Group of Companies Paz Memorial Services Inc.	Director Independent Director	
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15. Present Positions (including directorship) - Government

NAME OF OFFICE	POSITION	INDICATE IF ELECTIVE or APPOINTIVE and PART TIME or FULL TIME
	N/A	

16. Past Position – This Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
	N/A	

17. Past Position (including corporate directorship) – Other Private Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
	N/A	

18. Past Position (including directorship) - Government

NAME OF OFFICE	POSITION	DURATION
N/A		

#### IV. FAMILY RELATIONS

19. Name of Spouse (Surname, Given, Middle): N/A

20. Taxpayer's Identification Number (TIN): N/A

21. First Degree Relatives (of legal age only) – By consanguinity

NAME (Surname, Given, Middle)	RELATIONSHIP
N/A	

--	--

22. First Degree Relatives (of legal age only) – By affinity

NAME (Surname, Given, Middle)	RELATIONSHIP

23. Is your spouse an Officer/Director of corporations, associations or firms other than this Institution? Yes / No N/A

If yes, please state:

CORPORATION/ASSOCIATION/FIRM	POSITION
N/A	

24. Have you ever been convicted judicially or administratively of an offense or judicially declared insolvent, spendthrift or incapacitate to contract?

Yes / No

If yes, please state:

PARTICULARS/ NATURE OF OFFENSE	JURISDICTION	DATE INFORMATION/ COMPLAINT/ PLEADING FILED
	N/A	

Note: Please add other information you may wish to consider in this regard. Use additional sheet if necessary.

===NOTHING FOLLOWS===



**ALSONS CONSOLIDATED RESOURCES, INC.**

Alsons Building, 2286 Chino Roces Avenue, Makati City

**Biographical Data**

**ALEJANDRO I. ALCANTARA**

[Name]

**DIRECTOR**

[Position]

I hereby certify that the information contained in this document and its supporting schedule of my own knowledge is true and correct.

9/01/22

Date

*On Cel*

Signature



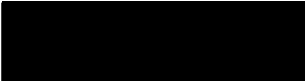

SUBSCRIBED AND SWORN TO BEFORE ME, this 08 SEP 2022 at  
PARAÑAQUE CITY affiant exhibiting to me his [REDACTED]

Doc No. 131 ;  
Page No. 28 ;  
Book No. 12 ;  
Series of 2022.



*Vilma Hilda Villanueva-Fabella*  
**ATTY. VILMA HILDA VILLANUEVA-FABELLA**  
NOTARY PUBLIC  
Until December 31, 2022  
IBP No. 196528/1-05-2022/PPLM  
PTR No. 2910162/1-07-2022/Parañaque  
Roll No. 41901  
Not. Com. No. 119-2021/1-04-2021

**I. PERSONAL**

1. Name : ALEJANDRO I. ALCANTARA
2. Citizenship : FILIPINO
3. Date of Birth : 
4. Place of Birth : PASAY CITY
5. Civil Status : MARRIED
6. Name of Spouse : 
7. Name of Children : 
8. Residence Address & Telephone No.
  - (a) Present : 
  - (b) Past fifteen (15) years : SAME
9. Business Address & Telephone No. :

ALSONS BUILDING, 2286  
CHINO ROCES AVENUE  
MAKATI CITY  
Tel. No. 8982-3000
10. For Alien only
  - (a) ACR No. & Date : N/A
  - (b) Department of Labor and  
Employment Registration  
No. & Date : N/A

## II. EDUCATION AND TRAINING

11. College or University Education or Highest Educational Attainment, if not a degree holder.

DEGREE/COURSE	SCHOOL LAST ATTENDED	YEAR GRADUATED/ YEARS ATTENDED (if not graduated)
B.S. ECONOMICS	ATENEO DE DAVAO	

12. Training in Financial Management and Other Related Fields

NATURE/TITLE	CONDUCTED BY	YEAR TAKEN
	N/A	

## III. WORK EXPERIENCE

13. Present Position – This Institution

<u>NAME OF OFFICE</u>	<u>POSITION</u>	<u>DATE ASSUMED</u>
ALSONS CONSOLIDATED RESOURCES, INC.	DIRECTOR	JULY 2003

14. Present Positions (including corporate directorship) – Other Private Institutions

NAME OF OFFICE	POSITION	INDICATE IF OWNER, PARTNER or STOCKHOLDER
Alsons Aquaculture Corp.	EVP	Stockholder
ACIL Corporation	Director	Stockholder
Alsons Insurance Brokers Corp.	Director	Stockholder
Alabel Sa Lipa Farms, Inc.	Director	Stockholder
Alsons Land Corporation	Director	Stockholder
Alsons Corporation	Director	Stockholder
Alcor Transport Corporation	EVP	Stockholder
Alsons Dev. & Investment Corp.	Director	Stockholder
Alecal Corporation	Chairman& President	Stockholder
Alsons Security Co., Inc.	President/GM	Stockholder
Alsons Properties Corporation	Director	Stockholder

Aquasur Resources Corp.	President	Stockholder
Alabel Solar Energy Corp.	Director	Stockholder
Buayan Cattle Co., Inc.	EVP	Stockholder
Bulacnin Agri Farms, Inc.	Director	Stockholder
Conal Corporation	Director	Stockholder
Davao Shelter Corporation	Director	Stockholder
Davao Industrial Plantation Inc.	EVP	Stockholder
Edicon Corporation	Director	Stockholder
Felicidad Holdings, Inc.	Director	Stockholder
Fial Corporation	Director	Stockholder
Finfish Hatcheries, Inc.	President	Stockholder
Lima Agri Farms, Inc.	Director	Stockholder
MADE (Market Developers), Inc.	Director	Stockholder
Niacor Corporation	Director	Stockholder
Roscal Corporation	Director	Stockholder
Sarangani Agricultural Co., Inc.	EVP	Stockholder
Samal Agricultural Dev. Corp.	Director	Stockholder
Sunfoods Agri. Ventures, Inc.	EVP	Stockholder
Sarangani Cattle Co., Inc.	Director	Stockholder
South Star Aviation Co., Inc.	Chairman	Stockholder
Trusto Corporation	Director	Stockholder

15. Present Positions (including directorship) - Government

NAME OF OFFICE	POSITION	INDICATE IF ELECTIVE or APPOINTIVE and PART TIME or FULL TIME
	N/A	

16. Past Position – This Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
ALSONS CONSOLIDATED RESOURCES, INC.	DIRECTOR	JULY 2003

17. Past Position (including corporate directorship) – Other Private Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
	N/A	

18. Past Position (including directorship) - Government

NAME OF OFFICE	POSITION	DURATION
	N/A	

#### IV. FAMILY RELATIONS

19. Name of Spouse (Surname, Given, Middle):

[REDACTED]

20. Taxpayer's Identification Number (TIN) :

[REDACTED]

21. First Degree Relatives (of legal age only) - By consanguinity

NAME (Surname, Given, Middle)	RELATIONSHIP
[REDACTED]	[REDACTED]

22. First Degree Relatives (of legal age only) - By affinity

NAME (Surname, Given, Middle)	RELATIONSHIP
[REDACTED]	[REDACTED]

23. Is your spouse an Officer/Director of corporations, associations or firms other than this Institution? Yes / No

If yes, please state:

CORPORATION/ASSOCIATION/FIRM	POSITION
N/A	

24. Have you ever been convicted judicially or administratively of an offense or judicially declared insolvent, spendthrift or incapacitate to contract?

Yes / No

If yes, please state:

PARTICULARS/ NATURE OF OFFENSE	JURISDICTION	DATE INFORMATION/ COMPLAINT/ PLEADING FILED
N/A		

Note: Please add other information you may wish to consider in this regard. Use additional sheet if necessary.

===NOTHING FOLLOWS===



## ALSONS CONSOLIDATED RESOURCES, INC.

Alsons Building, 2286 Chino Roces Avenue, Makati City

### Biographical Data

EDITHA I. ALCANTARA

[Name]

Director, Vice-Chair and Treasurer

[Position]

I hereby certify that the information contained in this document and its supporting schedule of my own knowledge is true and correct.

01 SEP 2022


Date

  
Signature


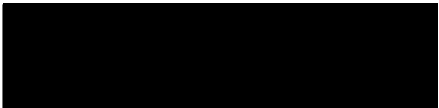
SUBSCRIBED AND SWORN TO BEFORE ME, this 01 SEP 2022 at  
PARAÑAQUE CITY affiant exhibiting to me her [REDACTED]

Doc No. 128.  
Page No. 27  
Book No. 12  
Series of 2022.



  
ATTY. VILMA HILDA VILLANUEVA-FABELLA  
NOTARY PUBLIC  
Until December 31, 2022  
IBP No. 196528/1-05-2022/PPLM  
PTR No. 2910162/1-07-2022/Parañaque  
Roll No. 41901  
Not. Com. No. 119-2021/1-04-2021

**I. PERSONAL**

1. Name : **EDITHA I. ALCANTARA**
2. Citizenship : **FILIPINO**
3. Date of Birth : 
4. Place of Birth : **PASAY CITY**
5. Civil Status : **SINGLE**
6. Name of Spouse : **N/A**
7. Name of Children : **N/A**
8. Residence Address & Telephone No.
  - (a) Present : 
  - (b) Past fifteen (15) years : **SAME**
9. Business Address & Telephone No.:

**ALSONS BUILDING, 2286  
CHINO ROCES AVENUE  
MAKATI CITY, PHILIPPINES  
Tel. No. 8982-3000**
10. For Alien only
  - (a) ACR No. & Date : **N/A**
  - (b) Department of Labor and  
Employment Registration  
No. & Date : **N/A**

## II. EDUCATION AND TRAINING

11. College or University Education or Highest Educational Attainment, if not a degree holder.

DEGREE/COURSE	SCHOOL LAST ATTENDED	YEAR GRADUATED/ YEARS ATTENDED (if not graduated)
AB-BUSINESS ADMINISTRATION	MARYKNOLL COLLEGE	1968
MASTERS IN BUSINESS ADMINISTRATION	BOSTON COLLEGE, MASSACHUSETTS, USA	1970

12. Training in Financial Management and Other Related Fields

NATURE/TITLE	CONDUCTED BY	YEAR TAKEN
	N/A	

## III. WORK EXPERIENCE

13. Present Position – This Institution

<u>NAME OF OFFICE</u>	<u>POSITION</u>	<u>DATE ASSUMED</u>
ALSONS CONSOLIDATED RESOURCES, INC.	DIRECTOR & TREASURER	SINCE MARCH 1995
	VICE-CHAIR	SINCE 2019

14. Present Positions (including corporate directorship) – Other Private Institutions

NAME OF OFFICE	POSITION	INDICATE IF OWNER, PARTNER or STOCKHOLDER
Alsons Aquaculture Corp.	Director, Treasurer	Stockholder
ACIL Corporation	Director, VP-Treasurer	Stockholder
ACR Mining Corporation	Director	Stockholder
Alsons Energy Dev. Corp.	Director, Vice-Chair & Treasurer	Stockholder

Alsons Insurance and Reinsurance Brokers Corp.	Director, EVP & Treasurer	Stockholder
Alsons Land Corporation	Director, Treasurer & CEO	Stockholder
Alsons Corporation	Director, Treasurer	Stockholder
Alsons Dev. & Investment Corp.	Director, Treasurer	Stockholder
Alsing Power Holdings, Inc.	Director, Treasurer	Stockholder
Alto Power Management Corp.	Director, Treasurer	Stockholder
Alsons Properties Corporation	Director, Treasurer	Stockholder
Alsons Power Holdings Corp.	Director, Vice-Chair & Treasurer	Stockholder
Alsons Power Supply Corp.	Treasurer	Stockholder
Aquasur Resources Corp.	Director, Treasurer	Stockholder
Alabel Solar Energy Corp.	Director, Treasurer	Stockholder
Centro Ridge Land, Inc.	Chairman & President	Stockholder
Celestial Holdings, Inc.	Director, Vice-Pres. & Director & Treasurer	Stockholder
Conal Holdings Corporation	Director, Treasurer	Stockholder
Conal Corporation	Director, Vice-Pres. & Treasurer	Stockholder
Davao Shelter Corp.	Director, Treasurer	Stockholder
Edicon Corporation	Chairman & Treasurer	Stockholder
Eagle Ridge Golf&Country Club, Inc.	Director, Treasurer	Stockholder
Felicidad Holdings, Inc.	Director, Treasurer	Stockholder
Finfish Hatcheries, Inc.	Director, Treasurer	Stockholder
Kamanga Agro-Industrial	Director, Vice-Pres & Treasurer	Stockholder
Ecozone Devt. Corp.	Director	Stockholder
Mapalad Holdings Corp.	Director, Vice-Chair & Treasurer	Stockholder
Mapalad Power Corporation	Director, Vice-Chair & Treasurer	Stockholder
Made (Market Developers), Inc.	Director, Vice-Chair & Treasurer	Stockholder
Sarangani Agricultural Co., Inc.	Director, Treasurer	Stockholder
Sunfoods Agri. Ventures, Inc.	Director, Treasurer	Stockholder
Southern Philippines Power Corp.	Director, Treasurer	Stockholder
San Ramon Power Inc.	Director, Treasurer	Stockholder
Western Mindanao Power Corp.	Director, Treasurer	Stockholder

15. Present Positions (including directorship) - Government

NAME OF OFFICE	POSITION	INDICATE IF ELECTIVE or APPOINTIVE and PART TIME or FULL TIME
	N/A	

16. Past Position – This Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
ALSONS CONSOLIDATED RESOURCES, INC.	TREASURER, DIRECTOR	SINCE MARCH 1995

17. Past Position (including corporate directorship) – Other Private Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
Miriam College	Trustee & Vice-Chair	Since December 1998
Business for Sustainable Development	Trustee & Treasurer	Since July 1995

18. Past Position (including directorship) – Government

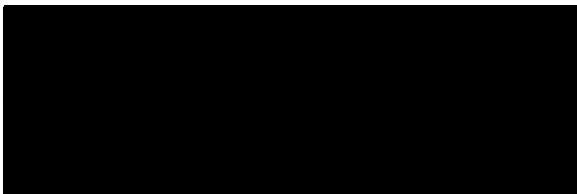
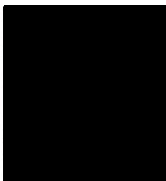
NAME OF OFFICE	POSITION	DURATION
	N/A	

#### IV. FAMILY RELATIONS



19. Name of Spouse (Surname, Given, Middle): N/A

20. Taxpayer's Identification Number (TIN) : N/A

21. First Degree Relatives (of legal age only) – By consanguinity

NAME (Surname, Given, Middle)	RELATIONSHIP
	

22. First Degree Relatives (of legal age only) – By affinity

NAME (Surname, Given, Middle)	RELATIONSHIP
	

--	--

23. Is your spouse an Officer/Director of corporations, associations or firms other than this Institution? Yes / No - N/A

If yes, please state:

CORPORATION/ASSOCIATION/FIRM	POSITION
N/A	

24. Have you ever been convicted judicially or administratively of an offense or judicially declared insolvent, spendthrift or incapacitate to contract?

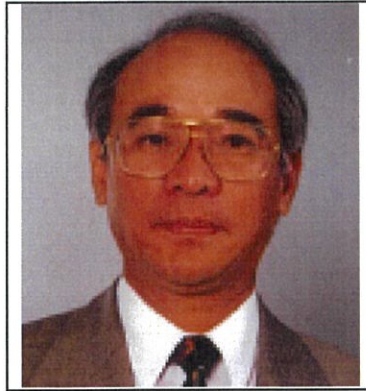
Yes / No

If yes, please state:

PARTICULARS/ NATURE OF OFFENSE	JURISDICTION	DATE INFORMATION/ COMPLAINT/ PLEADING FILED
N/A		

Note: Please add other information you may wish to consider in this regard. Use additional sheet if necessary.

===NOTHING FOLLOWS===



**ALSONS CONSOLIDATED RESOURCES, INC.**

Alsons Bldg., 2286 Chino Roces Avenue, Makati City

**Biographical Data**

**HONORIO A. POBLADOR, III**

*[Name]*

**DIRECTOR**

*[Position]*

I hereby certify that the information contained in this document and its supporting schedule of my own knowledge is true and correct.

**01 SEP 2022**

Date

Signature



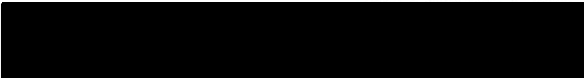
SUBSCRIBED AND SWORN TO BEFORE ME, this **01 SEP 2022** at  
PARAÑAQUE CITY affiant exhibiting to me his [REDACTED]

Doc No. 126;  
Page No. 27;  
Book No. 12;  
Series of 2022.



**ATTY. VILMA HILDA VILLANUEVA-FABELLA**  
NOTARY PUBLIC  
Until December 31, 2022  
IBP No. 196528/1-05-2022/PPLM  
PTR No. 2910162/1-07-2022/Parañaque  
Roll No. 41901  
Not. Com. No. 119-2021/1-04-2021

**I. PERSONAL**

1. Name : HONORIO A. POBLADOR, III
2. Citizenship : FILIPINO
3. Date of Birth : 
4. Place of Birth : MANILA
5. Civil Status : MARRIED
6. Name of Spouse : 
7. Name of Children : 
8. Residence Address & Telephone No. 8571-4595
  - (a) Present : 
  - (b) Past fifteen (15) years : SAME
9. Business Address & Telephone No. :
10. For Alien only
  - (a) ACR No. & Date : N/A
  - (b) Department of Labor and Employment Registration No. & Date : N/A

## II. EDUCATION AND TRAINING

11. College or University Education or Highest Educational Attainment, if not a degree holder.

DEGREE/COURSE	SCHOOL LAST ATTENDED	YEAR GRADUATED/ YEARS ATTENDED (if not graduated)
POLITICAL SCIENCE DEGREE	ATENEO DE MANILA UNIVERSITY	

- ## 12. Training in Financial Management and Other Related Fields

NATURE/TITLE	CONDUCTED BY	YEAR TAKEN
	N/A	

### III. WORK EXPERIENCE

13. Present Position – This Institution

NAME OF OFFICE	POSITION	DATE ASSUMED
ALSONS CONSOLIDATED RESOURCES, INC.	DIRECTOR	MARCH 1995

14. Present Positions (including corporate directorship) – Other Private Institutions

NAME OF OFFICE	POSITION	INDICATE IF OWNER, PARTNER or STOCKHOLDER
ASUNCION REALTY CORP.	CHAIRMAN	STOCKHOLDER
ASMCO, INC.	CHAIR & PRES.	STOCKHOLDER
ELNOR INVESTMENT CORP.	DIRECTOR	STOCKHOLDER
PHILODRILL CORPORATION	DIRECTOR	STOCKHOLDER
F&C REALTY CORPORATION	DIRECTOR	STOCKHOLDER
POB CORPORATION	DIRECTOR	STOCKHOLDER
DE LA RAMA BUILDING	CHAIRMAN	STOCKHOLDER
DEVELOPMENT CORP		

15. Present Positions (including directorship) - Government

NAME OF OFFICE	POSITION	INDICATE IF ELECTIVE or APPOINTIVE and PART TIME or FULL TIME
	N/A	

16. Past Position – This Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
ALSONS CONSOLIDATED RESOURCES, INC.	DIRECTOR	MARCH 1995

17. Past Position (including corporate directorship) – Other Private Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
ASUNCION REALTY CORP.	CHAIRMAN	
ASMCO, INC.	CHAIR. & PRES.	
ASIAN AESTHETIC EXCELLENCE, INC.	PRESIDENT	
MAYRIAD HUMAN RESOURCES AND SERVICES, INC.	PRESIDENT	
PHIL. COMMUNICATIONS SATELLITE CORPORATION	DIRECTOR	
PHIL.OVERSEAS TELECOMMUNICATION CORP.	DIRECTOR	
ELNOR INVESTMENT CORP.	DIRECTOR	
PHILCOMSAT HOLDINGS CORP.	DIRECTOR	
PHILODRILL CORPORATION	DIRECTOR	
F&C REALTY CORPORATION	DIRECTOR	
POB CORPORATION	DIRECTOR	

18. Past Position (including directorship) - Government

NAME OF OFFICE	POSITION	DURATION
	N/A	

#### IV. FAMILY RELATIONS

19. Name of Spouse (Surname, Given, Middle): [REDACTED]

20. Taxpayer's Identification Number (TIN): [REDACTED]

21. First Degree Relatives (of legal age only) - By consanguinity

NAME (Surname, Given, Middle)	RELATIONSHIP

22. First Degree Relatives (of legal age only) - By affinity

NAME (Surname, Given, Middle)	RELATIONSHIP

23. Is your spouse an Officer/Director of corporations, associations or firms other than this Institution? Yes / No

If yes, please state:

CORPORATION/ASSOCIATION/FIRM	POSITION
SATELLITE HOUSING CONTRACTORS AND DEVELOPERS	DIRECTOR
POBCORP.	PRESIDENT
F&C REALTY	DIRECTOR

24. Have you ever been convicted judicially or administratively of an offense or judicially declared insolvent, spendthrift or incapacitate to contract?

Yes / No

If yes, please state:

PARTICULARS/ NATURE OF OFFENSE	JURISDICTION	DATE INFORMATION/ COMPLAINT/ PLEADING FILED
N/A		

Note: Please add other information you may wish to consider in this regard. Use additional sheet if necessary.

===NOTHING FOLLOWS===



**ALSONS CONSOLIDATED RESOURCES, INC.**

Alsons Building, 2286 Chino Roces Avenue, Makati City

**Biographical Data**

**JOSE BEN R. LARAYA**


*[Name]*


**INDEPENDENT DIRECTOR**

*[Position]*

I hereby certify that the information contained in this document and its supporting schedule of my own knowledge is true and correct.


9/1/22  
Date

  
Signature



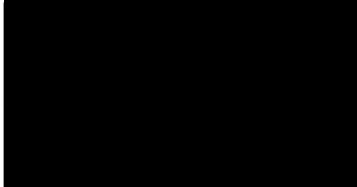
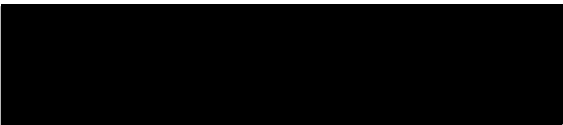
SUBSCRIBED AND SWORN TO BEFORE ME, this **01 SEP 2022** at  
**PARAÑAQUE CITY**, affiant exhibiting to me his 

Doc No. 124;  
Page No. 26;  
Book No. 12;  
Series of 2022.



  
**ATTY. VILMA HILDA VILLANUEVA-FABELLA**  
NOTARY PUBLIC  
Until December 31, 2022  
IBP No. 196528/1-05-2022/PPLM  
PTR No. 2910162/1-07-2022/Parañaque  
Roll No. 41901  
Not. Com. No. 119-2021/1-04-2021

**I. PERSONAL**

1. Name : JOSE BEN R. LARAYA
2. Citizenship : Filipino
3. Date of Birth : 
4. Place of Birth : Baguio City
5. Civil Status : Widowed
6. Name of Spouse : 
7. Name of Children : 
8. Residence Address & Telephone No.:
  - (a) Present : 
  - (b) Past fifteen (15) years : same
9. Business Address & Telephone No. : AIC Gold Tower Unit 1004  
F. Ortigas Jr. Avenue  
Ortigas Centre, Pasig City
10. For Alien only
  - (a) ACR No. & Date : N/A
  - (b) Department of Labor and  
Employment Registration  
No. & Date : N/A

## II. EDUCATION AND TRAINING

11. College or University Education or Highest Educational Attainment, if not a degree holder.

DEGREE/COURSE	SCHOOL LAST ATTENDED	YEAR GRADUATED/ YEARS ATTENDED (if not graduated)
Commerce Degree	De La Salle College	1959
Master in Business Administration	University of the Philippines	1964
Advanced Management Program	Harvard Business School	1979

12. Training in Financial Management and Other Related Fields

NATURE/TITLE	CONDUCTED BY	YEAR TAKEN
N/A	N/A	N/A

## III. WORK EXPERIENCE

13. Present Position – This Institution

NAME OF OFFICE	POSITION	DATE ASSUMED
Alsons Consolidated Resources, Inc.	Independent Director	Since March 1995

14. Present Positions (including corporate directorship) – Other Private Institutions

NAME OF OFFICE	POSITION	INDICATE IF OWNER, PARTNER or STOCKHOLDER
Ultrex Management & Investments Corp.	Chairman	Stockholder
Laraya Holdings, Inc.	Chairman	Stockholder
Trully Natural Food Corp.	President	Stockholder
TWS Ventures, Inc.	Vice Chairman	Stockholder

15. Present Positions (including directorship) - Government

NAME OF OFFICE	POSITION	INDICATE IF ELECTIVE or APPOINTIVE and PART TIME or FULL TIME
N/A	N/A	N/A

16. Past Position – This Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
Alsons Consolidated Resources, Inc.	Independent Director	Since March 1995

17. Past Position (including corporate directorship) – Other Private Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
La Frutera, Inc.	Director	Jan. 1997-Dec. 2016
Philcom Corporation	Vice Chairman	Oct. 1996-Feb. 1999
National Steel Corp.	President	Sept. 1980-Feb 1989
DOLE Asia	President	Feb 1989- Jun 1992
APC Group, Inc.	President	Sept 1995- Feb 1999

18. Past Position (including directorship) - Government

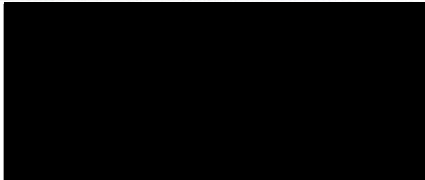

NAME OF OFFICE	POSITION	DURATION
N/A	N/A	N/A

#### IV. FAMILY RELATIONS

19. Name of Spouse (Surname, Given, Middle): N/A

20. Taxpayer's Identification Number (TIN) : N/A

21. First Degree Relatives (of legal age only) – By consanguinity

NAME (Surname, Given, Middle)	RELATIONSHIP
	

22. First Degree Relatives (of legal age only) – By affinity

NAME (Surname, Given, Middle)	RELATIONSHIP
N/A	N/A

23. Is your spouse an Officer/Director of corporations, associations or firms other than this Institution? N/A

If yes, please state:

CORPORATION/ASSOCIATION/FIRM	POSITION
N/A	N/A

24. Have you ever been convicted judicially or administratively of an offense or judicially declared insolvent, spendthrift or incapacitate to contract? No

If yes, please state:

PARTICULARS/ NATURE OF OFFENSE	JURISDICTION	DATE INFORMATION/ COMPLAINT/ PLEADING FILED
N/A	N/A	N/A

Note: Please add other information you may wish to consider in this regard. Use additional sheet if necessary.

===NOTHING FOLLOWS===



**ALSONS CONSOLIDATED RESOURCES, INC.**

Alsons Building, 2286 Chino Roces Avenue, Makati City

**Biographical Data**

**JACINTO C. GAVINO, JR.**

*[Name]*

**INDEPENDENT DIRECTOR**

*[Position]*

I hereby certify that the information contained in this document and its supporting schedule of my own knowledge is true and correct.

Sept 1, 2022  
Date

Jacinto Gavino  
Signature

SUBSCRIBED AND SWORN TO BEFORE ME, this 01 SEP 2022 at  
PARAÑAQUE CITY, affiant exhibiting to me his [REDACTED]

Doc No. 123;  
Page No. 26;  
Book No. 12;  
Series of 2022.



Vilma Hilda Villanueva-Fabella  
ATTY. VILMA HILDA VILLANUEVA-FABELLA  
NOTARY PUBLIC  
Until December 31, 2022  
IBP No. 196528/1-05-2022/PPLM  
PTR No. 2910162/1-07-2022/Parañaque  
Roll No. 41901  
Not. Com. No. 119-2021/1-04-2021

**I. PERSONAL**

1. Name : JACINTO C. GAVINO, JR.

2. Citizenship : Filipino

3. Date of Birth : 

4. Place of Birth : Manila

5. Civil Status : Married

6. Name of Spouse : 

7. Name of Children : 

8. Residence Address & Telephone No.:

(a) Present : 

(b) Past fifteen (15) years : 

9. Business Address & Telephone No. :

10. For Alien only

(a) ACR No. & Date : N/A

(b) Department of Labor and  
Employment Registration  
No. & Date : N/A

## II. EDUCATION AND TRAINING

11. College or University Education or Highest Educational Attainment, if not a degree holder.

DEGREE/COURSE	SCHOOL LAST ATTENDED	YEAR GRADUATED/ YEARS ATTENDED (if not graduated)
B.S. Electrical Engineering	University of the Philippines, Diliman	1966- 1971
Master in Business Administration	Ateneo De Manila University, Q.C.	1978-1983
Doctor in Public Administration	University of the Philippines, Diliman	1985-1993

12. Training in Financial Management and Other Related Fields

NATURE/TITLE	CONDUCTED BY	YEAR TAKEN
N/A	N/A	N/A

## III. WORK EXPERIENCE

13. Present Position – This Institution

NAME OF OFFICE	POSITION	DATE ASSUMED
Alsons Consolidated Resources, Inc.	Independent Director	May 2005

14. Present Positions (including corporate directorship) – Other Private Institutions

NAME OF OFFICE	POSITION	INDICATE IF OWNER, PARTNER or STOCKHOLDER
Lao Foundation Sarangani Agricultural Co., Inc.	Board of Trustees Board Member	Stockholder

15. Present Positions (including directorship) - Government

NAME OF OFFICE	POSITION	INDICATE IF ELECTIVE or APPOINTIVE and PART TIME or FULL TIME
N/A	N/A	N/A

16. Past Position – This Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
Alsons Consolidated Resources, Inc.	Independent Director	May 2005

17. Past Position (including corporate directorship) – Other Private Institution (last 10 years)


NAME OF OFFICE	POSITION	DURATION
N/A	N/A	N/A

18. Past Position (including directorship) - Government

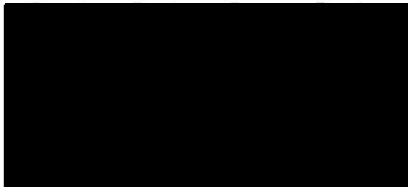
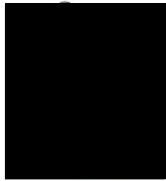
NAME OF OFFICE	POSITION	DURATION
N/A	N/A	N/A

#### IV. FAMILY RELATIONS



19. Name of Spouse (Surname, Given, Middle): 

20. Taxpayer's Identification Number (TIN) : 

21. First Degree Relatives (of legal age only) – By consanguinity

NAME (Surname, Given, Middle)	RELATIONSHIP
	

22. First Degree Relatives (of legal age only) – By affinity

NAME (Surname, Given, Middle)	RELATIONSHIP
	

23. Is your spouse an Officer/Director of corporations, associations or firms other than this Institution? No

If yes, please state:

CORPORATION/ASSOCIATION/FIRM	POSITION
N/A	N/A

24. Have you ever been convicted judicially or administratively of an offense or judicially declared insolvent, spendthrift or incapacitate to contract? No

If yes, please state:

PARTICULARS/ NATURE OF OFFENSE	JURISDICTION	DATE INFORMATION/ COMPLAINT/ PLEADING FILED
N/A	N/A	N/A

Note: Please add other information you may wish to consider in this regard. Use additional sheet if necessary.

===NOTHING FOLLOWS===



**ALSONS CONSOLIDATED RESOURCES, INC.**

Alsons Bldg., 2286 Chino Roces Avenue, Makati City

**Biographical Data**

**JONATHAN F. JIMENEZ**

*[Name]*

**Assistant Corporate Secretary  
Data Protection Officer and  
Compliance Officer**

*[Position]*

I hereby certify that the information contained in this document and its supporting schedule of my own knowledge is true and correct.

**31 AUG 2022**

Date




Signature

SUBSCRIBED AND SWORN TO BEFORE ME, this  
**31 AUG 2022** at **PARAÑAQUE CITY** affiant exhibiting to me his/her

Doc No. 118;  
Page No. 25;  
Book No. 12;  
Series of 2022.



  
**ATTY. VILMA HILDA VILLANUEVA-FABELLA**  
NOTARY PUBLIC  
Until December 31, 2022  
IBP No. 196528/1-05-2022/PPLM  
PTR No. 2910162/1-07-2022/Parañaque  
Roll No. 41901  
Not. Com. No. 119-2021/1-04-2021

**I. PERSONAL**

1. Name : JONATHAN F. JIMENEZ

2. Citizenship : Filipino

3. Date of Birth : 

4. Place of Birth : Manila

5. Civil Status : Separated

6. Name of Spouse :

7. Name of Children : 

8. Residence Address & Telephone No.

(a) Present : 

(b) Past fifteen (15) years : 

9. Business Address & Telephone No. : (02) 8982-3000

10. For Alien only

(a) ACR No. & Date : not applicable

(b) Department of Labor and  
Employment Registration  
No. & Date : not applicable

## II. EDUCATION AND TRAINING

11. College or University Education or Highest Educational Attainment, if not a degree holder.

DEGREE/COURSE	SCHOOL LAST ATTENDED	YEAR GRADUATED/ YEARS ATTENDED (if not graduated)
Juris Doctor	Ateneo de Manila University	1992

12. Training in Financial Management and Other Related Fields

NATURE/TITLE	CONDUCTED BY	YEAR TAKEN
	Not applicable	

## III. WORK EXPERIENCE

13. Present Position – This Institution

NAME OF OFFICE	POSITION	DATE ASSUMED
Alsons Consolidated Resources, Inc.	Assistant Corporate Secretary, Data Protection Officer and Compliance Officer	May 26, 2022

14. Present Positions (including corporate directorship) – Other Private Institutions

NAME OF OFFICE	POSITION	INDICATE IF OWNER, PARTNER or STOCKHOLDER
1. Alsons Aquaculture Corporation; 2. ACIL Corporation; 3. ACR Mining Corporation; 4. Alsons Energy Development Corporation; 5. AG Protective Services, Inc.; 6. Alsons Insurance Brokers Corporation; 7. Alabel Sa Lipa Farms, Inc.;	Corporate Secretary	N/A

8. Alsons Land Corporation;		
9. Alsons Corporation;		
10. Alcor Transport Corporation;		
11. Alsons Development & Investment Corporation;		
12. Alecal Corporation;		
13. Alsons Security Co., Inc.;		
14. Alsing Power Holdings, Inc.;		
15. Alto Power Management Corporation;		
16. Alsons Properties Corporation;		
17. Alsons Power Holdings Corporation;		
18. Aquasur Resources Corporation;		
19. Alsons Realty Corporation;		
20. Alsons Renewable Energy Corporation;		
21. Alabel Solar Energy Corporation;		
22. A/S Power Development, Inc.;		
23. Buayan Cattle Co., Inc.;		
24. Bulacnin Agri Farms Inc.;		
25. Casa Sonoma Agri Farms, Inc.;		
26. Centro Ridge Land, Inc.;		
27. Conal Holdings Corporation;		
28. Celestial Holdings, Inc.;		
29. Conrado & Ladislawa Alcantara Foundation, Inc.;		
30. Colina de Conrado Farms, Inc.;		
31. Conal Corporation;		
32. Davao Shelter Corporation;		
33. Davao Industrial Plantation, Inc.;		
34. Edicon Corporation;		
35. Felicidad Holdings, Inc.;		
36. Fial Corporation;		
37. Finfish Hatcheries, Inc.;		

38. Kalaong Hydro Power Corporation; 39. Kamanga Agro-Industrial Ecozone Development Corporation; 40. Lima Agri Farms Inc. 41. MADE (Market Developers), Inc.; 42. Mapalad Holdings, Inc.; 43. Mapalad Power Corporation; 44. Niacor Corporation; 45. Prime Stock Transfer Services, Inc.; 46. Punta Properties, Inc.; 47. Roscal Corporation; 48. Sarangani Agricultural Co., Inc.; 49. Samal Agricultural Development Corporation; 50. Sunfoods Agri. Ventures, Inc.; 51. Sarangani Cattle Co., Inc.; 52. Seawood Holdings Inc.; 53. Siguil Hydro Power Corporation; 54. Southern Philippines Power Corporation; 55. South Star Aviation Co., Inc.; 56. Trusto Corporation; 57. Western Mindanao Power Corporation 58. Wawa Water Company		
59. Eagle Ridge Golf & Country Club, Inc.	Assistant Corporate Secretary	N/A

15. Present Positions (including directorship) - Government

NAME OF OFFICE	POSITION	INDICATE IF ELECTIVE or APPOINTIVE and PART TIME or FULL TIME
	Not Applicable	

16. Past Position – This Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
Lima Land. Inc.	Legal Counsel	1998 to 2013

17. Past Position (including corporate directorship) – Other Private Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION

18. Past Position (including directorship) - Government



NAME OF OFFICE	POSITION	DURATION
	Not Applicable	

#### IV. FAMILY RELATIONS

19. Name of Spouse (Surname, Given, Middle): Not applicable

20. Taxpayer's Identification Number (TIN): Not applicable

21. First Degree Relatives (of legal age only) – By consanguinity

NAME (Surname, Given, Middle)	RELATIONSHIP
	

22. First Degree Relatives (of legal age only) – By affinity

NAME (Surname, Given, Middle)	RELATIONSHIP

23. Is your spouse an Officer/Director of corporations, associations or firms other than this Institution? Yes / No

If yes, please state:

CORPORATION/ASSOCIATION/FIRM	POSITION

24. Have you ever been convicted judicially or administratively of an offense or judicially declared insolvent, spendthrift or incapacitate to contract?
- Yes / No

If yes, please state:

PARTICULARS/ NATURE OF OFFENSE	JURISDICTION	DATE INFORMATION/ COMPLAINT/ PLEADING FILED

Note: Please add other information you may wish to consider in this regard.  
Use additional sheet if necessary.

===NOTHING FOLLOWS===



**ALSONS CONSOLIDATED RESOURCES, INC.**  
Alsons Bldg., 2286 Chino Roces Avenue, Makati City

**Biographical Data**

**NICASIO I. ALCANTARA**

*[Name]*

**CHAIRMAN & PRESIDENT**

*[Position]*

I hereby certify that the information contained in this document and its supporting schedule of my own knowledge is true and correct.

**01 SEP 2022**

Date

Signature






SUBSCRIBED AND SWORN TO BEFORE ME, this  
**01 SEP 2022** at **PARAÑAQUE CITY** affiant exhibiting to me his

Doc No. 129;  
Page No. 27;  
Book No. 12;  
Series of 2022.



**ATTY. VILMA HILDA VILLANUEVA-FABELLA**  
NOTARY PUBLIC  
Until December 31, 2022  
IBP No. 196528/1-05-2022/PPLM  
PTR No. 2910162/1-07-2022/Parañaque  
Roll No. 41901  
Not. Com. No. 119-2021/1-04-2021

**I. PERSONAL**

1. Name : **NICASIO I. ALCANTARA**
2. Citizenship : **FILIPINO**
3. Date of Birth : 
4. Place of Birth : **PASAY CITY**
5. Civil Status : **MARRIED**
6. Name of Spouse : 
7. Name of Children :   
ALCANTARA  

8. Residence Address & Telephone No.
  - (a) Present : 
  - (b) Past fifteen (15) years : **SAME AS ABOVE**
9. Business Address & Telephone No. : **2286 ALSONS BUILDING  
PASONG TAMO EXTENSION  
MAKATI CITY 1231  
TEL. NO. 8982-3000**
10. For Alien only : **N/A**
  - (a) ACR No. & Date :
  - (b) Department of Labor and  
Employment Registration  
No. & Date :

## II. EDUCATION AND TRAINING

11. College or University Education or Highest Educational Attainment, if not a degree holder.

DEGREE/COURSE	SCHOOL LAST ATTENDED	YEAR GRADUATED/ YEARS ATTENDED (if not graduated)
MBA	Sta. Clara University, California, USA	1968
BS Business Administration	Ateneo de Manila University, Quezon City BS Business Administration	1964
Primary to Secondary School	Ateneo de Davao University	1960

12. Training in Financial Management and Other Related Fields

NATURE/TITLE	CONDUCTED BY	YEAR TAKEN
AG Corporate Governance	Roam, Inc.	Nov 29, 2021
AG Corporate Governance	Roam, Inc.	Nov. 13, 2020
AG Corporate Governance	Roam, Inc.	Dec 19, 2019
Fintech BDO Corporate Governance	McKinsey & Company	Sept. 19, 2018
BDO Corporate Governance	SGV	July 19, 2017
AG Corporate Governance	Roam, Inc.	Dec. 9, 2016
AG Corporate Governance	Roam, Inc.	Nov. 7, 2014
Corporate Governance	Banker's Institute of the Phils.	June 24, 2002

### III. WORK EXPERIENCE

#### 13. Present Position – This Institution

NAME OF OFFICE	POSITION	DATE ASSUMED
ALSONS CONSOLIDATED RESOURCES, INC.	Chairman & President	March 1, 2021

#### 14. Present Positions (including corporate directorship) – Other Private Institutions

NAME OF OFFICE	POSITION	INDICATE IF OWNER, PARTNER or STOCKHOLDER
Aces Technical Services, Inc.	Chairman & President	Stockholder
Acil Corporation	Director	Stockholder
Alabel Sa Lipa Farms, Inc.	Director	Stockholder
Alcor Transport Corporation	Director	Stockholder
Alecal Corp.	Director	Stockholder
Alsing Power Holdings, Inc.	Chairman & President	Stockholder
Alsons Aquaculture Corporation	Chairman & President	Stockholder
Alsons/ AWS Information System, Inc.	Director	Stockholder
Alsons Consolidated Resources, Inc.	Chairman & President	Stockholder
ACR Mining Corporation	Chairman	Stockholder
Alsons Corporation	Director	Stockholder
Alsons Development & Investments Corp.	Chairman & President	Stockholder
Alsons Land Corporation	Director	Stockholder
Alsons Power Holdings Corporation	Director	Stockholder
Alsons Properties Corp.	Director	Stockholder
Alsons Security Co., Inc.	Director	Stockholder

Alsons Thermal Energy Corp.	Chairman & President	Stockholder
Alto Power Management Corp.	Chairman & President	Stockholder
Aquasur Resources Corp.	Chairman & President	Stockholder
Aviana Dev't. Corporation	Vice-Chairman	Stockholder
BDO Private Bank, Inc.	Director	Stockholder
Buayan Cattle Co., Inc.	Chairman & President	Stockholder
Bulacnin Agri. Farms, Inc,	Director	Stockholder
Casa Sonoma Agri Farms, Inc.	Director	Stockholder
Colina de Conrado Farms, Inc.	Director	Stockholder
Conal Corporation	Chairman	Stockholder
Conal Holdings Corporation	Chairman & President	Stockholder
Edicon Corporation	Director	Stockholder
Enderun Colleges, Inc.	Director	Stockholder
Fial Corporation	Chairman & President	Stockholder
Finfish Hatcheries, Inc.	Chairman	Stockholder
Kennemer Foods International	Director	Stockholder
Lima Agri Farms, Inc.	Director	Stockholder
Mapalad Power Corporation	Chairman & President	Stockholder
Niacor Corporation	Chairman & President	Stockholder
Phoenix Petroleum Philippines, Inc.	Director	Stockholder
Punta Properties, Inc.	Chairman & President	Stockholder
Roscal Corporation	Director	Stockholder
Sagittarius Mines, Inc.	Director	Stockholder
Samal Agricultural Dev't. Corp.	Director	Stockholder
San Ramon Power, Inc.	Chairman & President	Stockholder
Sarangani Cattle Co., Inc.	Chairman & President	Stockholder

Sarangani Agricultural Co., Inc.	Chairman & President	Stockholder
Sarangani Energy Corporation	Chairman & President	Stockholder
Seafront Resources Corp.	Director	Stockholder
Seawood Holdings Inc.	Director	Stockholder
South Star Aviation Corp.	Director	Stockholder
Sunfoods Agri. Ventures, Inc.	Chairman & President	Stockholder
Site Group International, Ltd.	Chairman	Stockholder
Southern Philippines Power Corp.	Chairman & President	Stockholder
The Philodrill Corporation	Director	Stockholder
Trusto Corporation	Director	Stockholder
Western Mindanao Power Corporation	Chairman & President	Stockholder

15. Present Positions (including directorship) – Government

NAME OF OFFICE	POSITION	INDICATE IF ELECTIVE or APPOINTIVE and PART TIME or FULL TIME
N/A		

16. Past Position – This Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
Aces Technical Services, Inc.	Director	July 2011 – Feb 28, 2021
Alsons Development & Investments Corp.	Director	Dec 1962 – Feb 28, 2021
Alsing Power Holdings, Inc.	Director	May 2011 – Feb 28, 2021
Alsons Aquaculture Corporation	Chairman & President	May 1988 – July 2001
Alsons Aquaculture Corporation	Director	May 1988 – Feb 28, 2021
	Director	May '17-July 28, 2017

Alsons Consolidated Resources, Inc.	Chairman	Dec 2011–July 1, 2015
Alsons Prime Investments Corp.	Director	Dec 2015 – Feb 28, 2021
Alsons Thermal Energy Corp.	Director	Nov. 2016 – Feb 28, 2021
Alto Power Management Corporation	Director	June 1987 – Feb 28, 2021
Aquasur Resources Corp.	Director	Jan 1978 – Feb 28, 2021
Buayan Cattle Co., Inc.	Director	Dec. 1962- Aug. 2014
C. Alcantara & Sons, Inc.	President	1984 - 2001
Conal Corporation	Director	May 2011–Feb 28, 2021
Conal Holdings Corporation	Chairman & President	1995 – 2013
Davao Industrial Plantation, Inc. (DIPI)	Director	May 1996 – Feb 28, 2021
Finfish Hatcheries, Inc.	Director	Dec 2011 – May 2019
Indophil Resources NL	Director	Oct 1995 – Oct 2013
Lima Land, Inc.	Chairman & President	August 1992-July 2001
Northern Mindanao Power Corporation	Chairman & President	Oct 1976- July 2001
Refractories Corp. of the Phils.	Director	Oct 1967 – Feb 28, 2021
Sarangani Agricultural Co., Inc.	Director	July 1993-July 1994
Sarangani Cattle Co., Inc.	Director	July 2012 – Feb 28, 2021
Sarangani Energy Corporation	Director	July 2012 – Feb 28, 2021
San Ramon Power, Inc.	Chairman & President	1994-2001
Southern Phil. Power Corp.	Director	May 2011 – Feb 28, 2021
Southern Phil. Power Corp.	Director	Oct 2012 – Feb 28, 2021
Sunfoods Agri Ventures, Inc.	Director	1981-2001
T'Boli Agro Industrial Corp.	Director	May 1984-2003
United Pulp & Paper Co.	Chairman & President	March 1996-June 2001
Western Mindanao Power Corp.	Director	May 2011 – Feb 28, 2021
WWF-Philippines	Director	October 2008-2013

17. Past Position (including corporate directorship) – Other Private Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
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Aces Technical Services, Inc.	Director	July 2011 – Feb 28, 2021
Alsons Development & Investments Corp.	Director	Dec 1962 – Feb 28, 2021
Alsing Power Holdings, Inc.	Director	May 2011 – Feb 28, 2021
Alsons Aquaculture Corporation	Chairman & President	May 1988 – July 2001
Alsons Aquaculture Corporation	Director	May 1988 – Feb 28, 2021
Alsons Consolidated Resources, Inc.	Director	May '17-July 28, 2017
Alsons Prime Investments Corp.	Chairman	Dec 2011-July 1, 2015
Alsons Thermal Energy Corp.	Director	Dec 2015 – Feb 28, 2021
Alto Power Management Corporation	Director	Nov. 2016 – Feb 28, 2021
Aquasur Resources Corp.	Director	June 1987 – Feb 28, 2021
Buayan Cattle Co., Inc.	Director	Jan 1978 – Feb 28, 2021
C. Alcantara & Sons, Inc.	Director	Dec. 1962- Aug. 2014
Conal Corporation	President	1984 - 2001
Conal Holdings Corporation	Director	May 2011-Feb 28, 2021
Davao Industrial Plantation, Inc. (DIPI)	Chairman & President	1995 – 2013
Finfish Hatcheries, Inc.	Director	May 1996 – Feb 28, 2021
Indophil Resources NL	Director	Dec 2011 – May 2019
Lima Land, Inc.	Director	Oct 1995 – Oct 2013
Northern Mindanao Power Corporation	Chairman & President	August 1992-July 2001
Refractories Corp. of the Phils.	Chairman & President	Oct 1976- July 2001
Sarangani Agricultural Co., Inc.	Director	Oct 1967 – Feb 28, 2021
Sarangani Cattle Co., Inc.	Director	July 1993-July 1994
Sarangani Energy Corporation	Director	July 2012 – Feb 28, 2021
San Ramon Power, Inc.	Director	July 2012 – Feb 28, 2021
Southern Phil. Power Corp.	Chairman & President	1994-2001
Southern Phil. Power Corp.	Director	May 2011 – Feb 28, 2021
Sunfoods Agri Ventures, Inc.	Director	Oct 2012 – Feb 28, 2021
T'Boli Agro Industrial Corp.	Director	1981-2001
United Pulp & Paper Co.	Director	May 1984-2003
Western Mindanao Power Corp.	Chairman & President	March 1996-June 2001
WWF-Philippines	Director	May 2011 – Feb 28, 2021
		October 2008-2013

18. Past Position (including directorship) - Government

NAME OF OFFICE	POSITION	DURATION
Petron Corporation	Chairman & CEO **Nothing Follows**	July 2001- Jan 2009

IV. FAMILY RELATIONS

19. Name of Spouse (Surname, Given, Middle):

[REDACTED]

20. Taxpayer's Identification Number (TIN):

[REDACTED]

21. First Degree Relatives (of legal age only) – By consanguinity

NAME (Surname, Given, Middle)	RELATIONSHIP
[REDACTED]	[REDACTED]

22. First Degree Relatives (of legal age only) – By affinity

NAME (Surname, Given, Middle)	RELATIONSHIP
[REDACTED]	[REDACTED]

23. Is your spouse an Officer/Director of corporations, associations or firms other than this Institution? Yes / No

If yes, please state:

CORPORATION/ASSOCIATION/FIRM	POSITION
PUNTA PROPERTIES, INC. **Nothing Follows**	DIRECTOR

24. Have you ever been convicted judicially or administratively of an offense or judicially declared insolvent, spendthrift or incapacitate to contract?

Yes / No

If yes, please state:

PARTICULARS/ NATURE OF OFFENSE	JURISDICTION	DATE INFORMATION/ COMPLAINT/ PLEADING FILED
N/A		

Note: Please add other information you may wish to consider in this regard.  
Use additional sheet if necessary.

===NOTHING FOLLOWS===



**ALSONS CONSOLIDATED RESOURCES, INC.**

Alsons Building, 2286 Chino Roces Avenue, Makati City

**Biographical Data**

**PHILIP EDWARD B. SAGUN**

*[Name]*

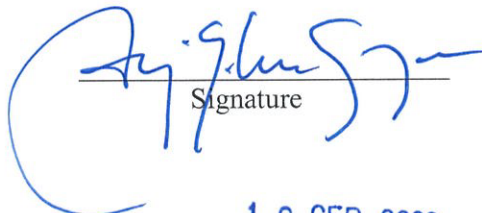
**DEPUTY CHIEF FINANCIAL  
OFFICER**

*[Position]*

I hereby certify that the information contained in this document and its supporting schedule of my own knowledge is true and correct.

16 SEP 2022


Date

  
Signature



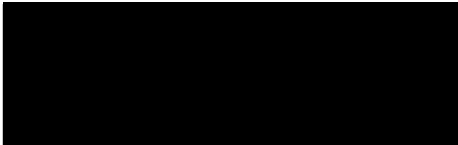


SUBSCRIBED AND SWORN TO BEFORE ME, this 16 SEP 2022 at  
PARAÑAQUE CITY, affiant exhibiting to me his 

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Page No. 36;  
Book No. 12;  
Series of 2022.



  
**ATTY. VILMA HILDA VILLANUEVA-FABELLA**  
NOTARY PUBLIC  
Until December 31, 2022  
IBP No. 196528/1-05-2022/PPLM  
PTR No. 2910162/1-07-2022/Parañaque  
Roll No. 41901  
Net. Com. No. 119-2021/1-04-2021

**I. PERSONAL**

1. Name : PHILIP EDWARD B. SAGUN
2. Citizenship : FILIPINO
3. Date of Birth : 
4. Place of Birth : RIZAL, MAKATI
5. Civil Status : MARRIED
6. Name of Spouse : 
7. Name of Children : N/A
8. Residence Address & Telephone No. : 8982-3027
  - (a) Present : 
  - (b) Past fifteen (15) years :   

9. Business Address & Telephone No. : 2286 Chino Roces Avenue, Makati  
City Metro Manila 1232  
Tel no. 8982-3000
10. For Alien only
  - (a) ACR No. & Date : N/A
  - (b) Department of Labor and  
Employment Registration  
No. & Date : N/A

## II. EDUCATION AND TRAINING

11. College or University Education or Highest Educational Attainment, if not a degree holder.

DEGREE/COURSE	SCHOOL LAST ATTENDED	YEAR GRADUATED/ YEARS ATTENDED (if not graduated)
AFFILIATE IN DEVELOPMENT BANK MANAGEMENT	Asia Pacific Institute of Development Finance, Makati City	2008
MASTERS OF SCIENCE IN FINANCE	University of The Philippines, Quezon City	2006-2008
A.B SOCIAL SCIENCES	Ateneo De Manila University, Quezon City	1991-1995

12. Training in Financial Management and Other Related Fields

NATURE/TITLE	CONDUCTED BY	YEAR TAKEN
N/A	N/A	N/A

## III. WORK EXPERIENCE

13. Present Position – This Institution

NAME OF OFFICE	POSITION	DATE ASSUMED
ALSONS CONSOLIDATED RESOURCES, INC.	Deputy Chief Financial Officer	May 2019

14. Present Positions (including corporate directorship) – Other Private Institutions

NAME OF OFFICE	POSITION	INDICATE IF OWNER, PARTNER or STOCKHOLDER
N/A	N/A	N/A

15. Present Positions (including directorship) - Government

NAME OF OFFICE	POSITION	INDICATE IF ELECTIVE or APPOINTIVE and PART TIME or FULL TIME
N/A	N/A	N/A

16. Past Position – This Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
ALSONS CONSOLIDATED	AVP Corporate Finance	February 2015

RESOURCES, INC	and Treasury	
----------------	--------------	--

17. Past Position (including corporate directorship) – Other Private Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
PHILIPPINE BANK OF COMMUNICATIONS	First Vice President	JAN 2013 – DEC 2014
BLASTASIA INC.	Financial Advisor	MAR 2012 – DEC 2012
FIRST PHILIPPINE ELECTRIC CORP. (FPEC)	Vice President Treasury	FEB 2011 – MAR 2012
AUSTRALIA AND NEW ZEALAND BANK LTD (ANZ BANK - MANILA)	Relationship Manager – Financial Institution & Public Sector	SEP 2010 – FEB 2011
PHILIPPINE EXPORT IMPORT CREDIT AGENCY (PhilEXIM)	Vice President - Head Fund Management Department	2000 – SEP 2010

18. Past Position (including directorship) - Government

NAME OF OFFICE	POSITION	DURATION
PHILIPPINE EXPORT IMPORT CREDIT AGENCY (PhilEXIM)	Vice President - Head Fund Management Department	2000 – SEP 2010

#### IV. FAMILY RELATIONS

19. Name of Spouse (Surname, Given, Middle): [REDACTED]
20. Taxpayer's Identification Number (TIN) : [REDACTED]
21. First Degree Relatives (of legal age only) – By consanguinity

NAME (Surname, Given, Middle)	RELATIONSHIP
<span style="background-color: black; color: black;">[REDACTED]</span>	<span style="background-color: black; color: black;">[REDACTED]</span>

22. First Degree Relatives (of legal age only) – By affinity

NAME (Surname, Given, Middle)	RELATIONSHIP
<span style="background-color: black; color: black;">[REDACTED]</span>	<span style="background-color: black; color: black;">[REDACTED]</span>

23. Is your spouse an Officer/Director of corporations, associations or firms other than this Institution? **No**

If yes, please state:

<b>CORPORATION/ASSOCIATION/FIRM</b>	<b>POSITION</b>
N/A	N/A

24. Have you ever been convicted judicially or administratively of an offense or judicially declared insolvent, spendthrift or incapacitate to contract? **No**

If yes, please state:

<b>PARTICULARS/ NATURE OF OFFENSE</b>	<b>JURISDICTION</b>	<b>DATE INFORMATION/ COMPLAINT/ PLEADING FILED</b>
N/A	N/A	N/A

Note: Please add other information you may wish to consider in this regard. Use additional sheet if necessary.

- NOTHING FOLLOWS-



**ALSONS CONSOLIDATED RESOURCES, INC.**

Alsons Building, 2286 Chino Roces Avenue, Makati City

**Biographical Data**

**RAMON T. DIOKNO**

*[Name]*

**DIRECTOR**

*[Position]*

I hereby certify that the information contained in this document and its supporting schedule of my own knowledge is true and correct.

**01 SEP 2022**


Date

  
Signature



SUBSCRIBED AND SWORN TO BEFORE ME, this **01 SEP 2022** at  
**PARAÑAQUE CITY**, affiant exhibiting to me his [REDACTED]

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Book No. \_\_\_\_\_;  
Series of 2022.



  
**ATTY. VILMA HILDA VILLANUEVA-FABELLA**  
NOTARY PUBLIC  
Until December 31, 2022  
IBP No. 196528/1-05-2022/PPLM  
PTR No. 2910162/1-07-2022/Parañaque  
Roll No. 41901  
Not. Com. No. 119-2021/1-04-2021

**I. PERSONAL**

1. Name : **RAMON T. DIOKNO**
2. Citizenship : Filipino
3. Date of Birth : 
4. Place of Birth : Manila
5. Civil Status : Single
6. Name of Spouse : N/A
7. Name of Children : N/A
8. Residence Address & Telephone No.:
  - (a) Present : 
  - (b) Past fifteen (15) years : Same
9. Business Address & Telephone No. : 20<sup>th</sup> Floor Lepanto Bldg., Paseo De Roxas  
Makati City, Philippines
10. For Alien only
  - (a) ACR No. & Date : N/A
  - (b) Department of Labor and  
Employment Registration  
No. & Date : N/A

## II. EDUCATION AND TRAINING

11. College or University Education or Highest Educational Attainment, if not a degree holder.

DEGREE/COURSE	SCHOOL LAST ATTENDED	YEAR GRADUATED/ YEARS ATTENDED (if not graduated)
Accountancy Degree	De La Salle University	
Masters of Science in Management	Massachusetts Institute of Technology	1981

12. Training in Financial Management and Other Related Fields

NATURE/TITLE	CONDUCTED BY	YEAR TAKEN
N/A	N/A	N/A

## III. WORK EXPERIENCE

13. Present Position – This Institution

NAME OF OFFICE	POSITION	DATE ASSUMED
Alsons Consolidated Resources, Inc.	Director	Since March 2009

14. Present Positions (including corporate directorship) – Other Private Institutions

NAME OF OFFICE	POSITION	INDICATE IF OWNER, PARTNER or STOCKHOLDER
Lepanto Consolidated Mining Company	Chief Financial Officer	April 01, 2008

15. Present Positions (including directorship) - Government

NAME OF OFFICE	POSITION	INDICATE IF ELECTIVE or APPOINTIVE and PART TIME or FULL TIME
N/A	N/A	N/A

16. Past Position – This Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
Alsons Consolidated Resources, Inc.	Chief Financial Officer	Jan. 16 2001 to June 30, 2006

17. Past Position (including corporate directorship) – Other Private Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
N/A	N/A	N/A

18. Past Position (including directorship) - Government

NAME OF OFFICE	POSITION	DURATION
N/A	N/A	N/A

#### IV. FAMILY RELATIONS

19. Name of Spouse (Surname, Given, Middle): N/A  
20. Taxpayer's Identification Number (TIN) : N/A  
21. First Degree Relatives (of legal age only) – By consanguinity

NAME (Surname, Given, Middle)	RELATIONSHIP
N/A	N/A

22. First Degree Relatives (of legal age only) – By affinity

NAME (Surname, Given, Middle)	RELATIONSHIP
N/A	N/A

23. Is your spouse an Officer/Director of corporations, associations or firms other than this Institution? **N/A**

If yes, please state:

CORPORATION/ASSOCIATION/FIRM	POSITION
N/A	N/A

24. Have you ever been convicted judicially or administratively of an offense or judicially declared insolvent, spendthrift or incapacitate to contract? **No**

If yes, please state:

PARTICULARS/ NATURE OF OFFENSE	JURISDICTION	DATE INFORMATION/ COMPLAINT/ PLEADING FILED
N/A	N/A	N/A

Note: Please add other information you may wish to consider in this regard. Use additional sheet if necessary.

===NOTHING FOLLOWS===



**ALSONS CONSOLIDATED RESOURCES, INC.**

Alsons Bldg., 2286 Chino Roces Avenue, Makati City

**Biographical Data**

**THOMAS G. AQUINO**

*[Name]*

**INDEPENDENT DIRECTOR**

*[Position]*

I hereby certify that the information contained in this document and its supporting schedule of my own knowledge is true and correct.

31 AUG 2022

Date

Thomas Aquino

Signature


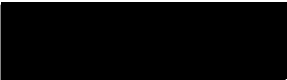
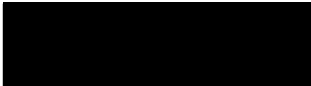

SUBSCRIBED AND SWORN TO BEFORE ME, this 31 AUG 2022 at  
PARAÑAQUE CITY affiant exhibiting to me his [REDACTED]

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Vilma Hilda Villanueva-Fabella  
**ATTY. VILMA HILDA VILLANUEVA-FABELLA**  
NOTARY PUBLIC  
Until December 31, 2022  
IBP No. 196528/1-05-2022/PPLM  
PTR No. 2910162/1-07-2022/Parañaque  
Roll No. 41901  
Not. Com. No. 119-2021/1-04-2021

**I. PERSONAL**

1. Name : **THOMAS G. AQUINO**
2. Citizenship : **FILIPINO**
3. Date of Birth : 
4. Place of Birth : **MANILA**
5. Civil Status : **MARRIED**
6. Name of Spouse : 
7. Name of Children : 
8. Residence Address & Telephone No.
  - (a) Present : 
  - (b) Past fifteen (15) years : **SAME**
9. Business Address & Telephone No. : **N/A**
10. For Alien only
  - (a) ACR No. & Date : **N/A**
  - (b) Department of Labor and Employment Registration No. & Date : **N/A**

## II. EDUCATION AND TRAINING

11. College or University Education or Highest Educational Attainment, if not a degree holder.

DEGREE/COURSE	SCHOOL LAST ATTENDED	YEAR GRADUATED/ YEARS ATTENDED (if not graduated)
BACHELOR OF ARTS IN ECONOMICS	UNIVERSITY OF THE PHILIPPINES	1970
MASTER OF SCIENCE IN INDUSTRIAL ECONOMICS	CENTER FOR RESEARCH & COMMUNICATION (NOW KNOWN AS UNIVERSITY OF ASIA AND THE PACIFIC)	1972
DOCTOR IN BUSINESS	UNIVERSITY OF NAVARRE (SPAIN)	1980

12. Training in Financial Management and Other Related Fields

NATURE/TITLE	CONDUCTED BY	YEAR TAKEN
	N/A	

## III. WORK EXPERIENCE

13. Present Position – This Institution

NAME OF OFFICE	POSITION	DATE ASSUMED
ALSONS CONSOLIDATED RESOURCES, INC.	INDEPENDENT DIRECTOR	MAY 2011

14. Present Positions (including corporate directorship) – Other Private Institutions

NAME OF OFFICE	POSITION	INDICATE IF OWNER, PARTNER or STOCKHOLDER
NOW CORPORATION	DIRECTOR	STOCKHOLDER
A BROWN COMPANY	INDEPENDENT DIRECTOR	STOCKHOLDER
HOLCIM Philippines Inc.	INDEPENDENT DIRECTOR	STOCKHOLDER
PRYCE CORPORATION	INDEPENDENT DIRECTOR	STOCKHOLDER

15. Present Positions (including directorship) - Government

NAME OF OFFICE	POSITION	INDICATE IF ELECTIVE or APPOINTIVE and PART TIME or FULL TIME
	N/A	

16. Past Position – This Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
ALSONS CONSOLIDATED RESOURCES, INC.	INDEPENDENT DIRECTOR	MAY 2011

17. Past Position (including corporate directorship) – Other Private Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION

18. Past Position (including directorship) - Government

NAME OF OFFICE	POSITION	DURATION
	N/A	

#### IV. FAMILY RELATIONS

19. Name of Spouse (Surname, Given, Middle):

[REDACTED]


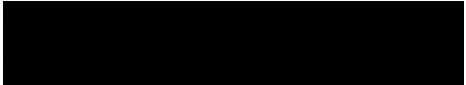
20. Taxpayer's Identification Number (TIN):

[REDACTED]

21. First Degree Relatives (of legal age only) – By consanguinity

NAME (Surname, Given, Middle)	RELATIONSHIP
[REDACTED]	[REDACTED]

22. First Degree Relatives (of legal age only) – By affinity

NAME (Surname, Given, Middle)	RELATIONSHIP
	

23. Is your spouse an Officer/Director of corporations, associations or firms other than this Institution? Yes / No – N/A

If yes, please state:

CORPORATION/ASSOCIATION/FIRM	POSITION
N/A	

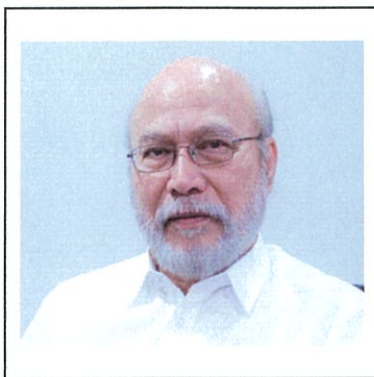
24. Have you ever been convicted judicially or administratively of an offense or judicially declared insolvent, spendthrift or incapacitate to contract?  
Yes / No

If yes, please state:

PARTICULARS/ NATURE OF OFFENSE	JURISDICTION	DATE INFORMATION/ COMPLAINT/ PLEADING FILED
	N/A	

Note: Please add other information you may wish to consider in this regard. Use additional sheet if necessary.

===NOTHING FOLLOWS===



**ALSONS CONSOLIDATED RESOURCES, INC.**

Alsons Bldg., 2286 Chino Roces Avenue, Makati City

**Biographical Data**

**TIRSO G. SANTILLAN, JR.**

*[Name]*

**EXECUTIVE VICE-PRESIDENT,  
DIRECTOR**

*[Position]*

I hereby certify that the information contained in this document and its supporting schedule of my own knowledge is true and correct.

**06 SEP 2022**

Date

Signature

SUBSCRIBED AND SWORN TO BEFORE ME, this **06 SEP 2022** at  
**PARAÑAQUE CITY** affiant exhibiting to me his [REDACTED]

Doc No. 148;  
Page No. 31;  
Book No. 12;  
Series of 2022.



**ATTY. VILMA HILDA VILLANUEVA-FABELLA**  
NOTARY PUBLIC  
Until December 31, 2022  
IBP No. 196528/1-05-2022/PPLM  
PTR No. 2910162/1-07-2022/Parañaque  
Roll No. 41901  
Not. Com. No. 119-2021/1-04-2021

I. PERSONAL

1. Name : TIRSO G. SANTILLAN, JR.

2. Citizenship : FILIPINO

3. Date of Birth : [REDACTED]

4. Place of Birth : MANILA

5. Civil Status : MARRIED

6. Name of Spouse : [REDACTED]

7. Name of Children : [REDACTED]

8. Residence Address & Telephone No.

(a) Present : [REDACTED]

(b) Past fifteen (15) years : SAME

9. Business Address & Telephone No. :  
4<sup>TH</sup> FLOOR ALPHALAND SOUTHGATE TOWER  
2258 CHINO ROCES AVENUE COR. EDSA  
MAKATI CITY, METRO MANILA  
TEL. NO. 8823-7225

10. For Alien only

(a) ACR No. & Date : N/A

(b) Department of Labor and  
Employment Registration  
No. & Date : N/A

## II. EDUCATION AND TRAINING

11. College or University Education or Highest Educational Attainment, if not a degree holder.

DEGREE/COURSE	SCHOOL LAST ATTENDED	YEAR GRADUATED/ YEARS ATTENDED (if not graduated)
BACHELOR OF ARTS DEGREE IN ENGINEERING	ATENEO DE MANILA UNIVERSITY	1964
MASTER IN BUSINESS MANAGEMENT	ATENEO DE MANILA UNIVERSITY	1966

12. Training in Financial Management and Other Related Fields

NATURE/TITLE	CONDUCTED BY	YEAR TAKEN
	N/A	

## III. WORK EXPERIENCE

13. Present Position – This Institution

NAME OF OFFICE	POSITION	DATE ASSUMED
ALSONS CONSOLIDATED RESOURCES, INC.	EXECUTIVE VICE- PRESIDENT	APRIL 1995

14. Present Positions (including corporate directorship) – Other Private Institutions

NAME OF OFFICE	POSITION	INDICATE IF OWNER, PARTNER or STOCKHOLDER
Aces Technical Services Corp.	Chief Operating Officer	Stockholder
ACR Mining Corporation	Director	Stockholder
Alsons Energy Devt. Corp.	Executive Vice-Pres.	Stockholder
Alsing Power Holdings, Inc.	Executive Vice-Pres.	Stockholder
Alto Power Management Corp.	Executive Vice-Pres.	Stockholder
Alsons Power Holdings Corp.	Executive Vice-Pres.	Stockholder
Alsons Renewable Energy Corp.	Executive Vice-Pres.	Stockholder
Alsons Power Supply Corp	Executive Vice-Pres.	Stockholder
A/S Power Development Corp.	Chairman & President	Stockholder
Alsons Thermal Energy Corp.	Chief Operating Officer	Stockholder
Bago Hydro Resources Corp.	Chairman & President	Stockholder
Conal Holdings Corp.	Executive Vice-Pres.	Stockholder

Conrado & Ladislawa Alcantara Foundation, Inc.	Trustee	
Kalaong Hydro Power Corp.	Chairman & President	Stockholder
Kamanga Agro-Industrial Ecozone Devt. Corp.	Executive Vice-Pres.	Stockholder
MADE (Market Developers), Inc.	Director	Stockholder
Mapalad Power Corp.	President	Stockholder
Sarangani Agricultural Co., Inc.	Director	Stockholder
Sarangani Energy Corp.	Chief Operating Officer	Stockholder
Siguil Hydro Power Corp.	Chairman & President	Stockholder
Sindangan Zambo-River Power Corp.	President	Stockholder
Southern Philippines Power Corp.	Executive Vice-Pres.	Stockholder
San Ramon Power, Inc.		
Western Mindanao Power Corp.	Chief Operating Officer	Stockholder
	Executive Vice-Pres.	Stockholder

15. Present Positions (including directorship) - Government

NAME OF OFFICE	POSITION	INDICATE IF ELECTIVE or APPOINTIVE and PART TIME or FULL TIME
	N/A	

16. Past Position – This Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
	N/A	

17. Past Position (including corporate directorship) – Other Private Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
	N/A	

18. Past Position (including directorship) - Government

NAME OF OFFICE	POSITION	DURATION
	N/A	

#### IV. FAMILY RELATIONS

19. Name of Spouse (Surname, Given, Middle):

[REDACTED]

20. Taxpayer's Identification Number (TIN): N/A

21. First Degree Relatives (of legal age only) – By consanguinity

NAME (Surname, Given, Middle)	RELATIONSHIP
[REDACTED]	[REDACTED]

22. First Degree Relatives (of legal age only) – By affinity

NAME (Surname, Given, Middle)	RELATIONSHIP
N/A	

23. Is your spouse an Officer/Director of corporations, associations or firms other than this Institution? Yes / No

If yes, please state:

CORPORATION/ASSOCIATION/FIRM	POSITION
N/A	

24. Have you ever been convicted judicially or administratively of an offense or judicially declared insolvent, spendthrift or incapacitate to contract?

Yes / No

If yes, please state:

PARTICULARS/ NATURE OF OFFENSE	JURISDICTION	DATE INFORMATION/ COMPLAINT/ PLEADING FILED
	N/A	

Note: Please add other information you may wish to consider in this regard. Use additional sheet if necessary.

===NOTHING FOLLOWS===



**ALSONS CONSOLIDATED RESOURCES, INC.**

Alsons Building, 2286 Chino Roces Avenue, Makati City

**Biographical Data**

**TOMAS I. ALCANTARA**

[Name]

**Director**

[Position]

I hereby certify that the information contained in this document and its supporting schedule of my own knowledge is true and correct.

01 Sept. 2022 Tomas I. Alcantara  
Date Signature


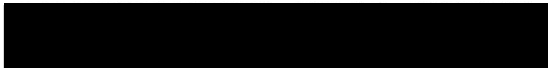
SUBSCRIBED AND SWORN TO BEFORE ME, this 01 SEP 2022 at  
PARAÑAQUE CITY affiant exhibiting to me his [REDACTED]

Doc No. 130;  
Page No. 27;  
Book No. 12;  
Series of 2022.



[Signature]  
**ATTY. VILMA HILDA VILLANUEVA-FABELLA**  
NOTARY PUBLIC  
Until December 31, 2022  
IBP No. 196528/1-05-2022/PPLM  
PTR No. 2910162/1-07-2022/Parañaque  
Roll No. 41901  
Not. Com. No. 119-2021/1-04-2021

**I. PERSONAL**

1. Name : **TOMAS I. ALCANTARA**
2. Citizenship : **FILIPINO**
3. Date of Birth : 
4. Place of Birth : **PASAY CITY**
5. Civil Status : **SINGLE**
6. Name of Spouse : **N/A**
7. Name of Children : **N/A**
8. Residence Address & Telephone No.
  - (a) Present : 
  - (b) Past fifteen (15) years : **SAME**
9. Business Address & Telephone No. :

**ALSONS BUILDING, 2286  
CHINO ROCES AVENUE  
MAKATI CITY, PHILIPPINES  
Tel. No. 8982-3000**
10. For Alien only
  - (a) ACR No. & Date : **N/A**
  - (b) Department of Labor and  
Employment Registration  
No. & Date : **N/A**

## II. EDUCATION AND TRAINING

11. College or University Education or Highest Educational Attainment, if not a degree holder.

DEGREE/COURSE	SCHOOL LAST ATTENDED	YEAR GRADUATED/ YEARS ATTENDED (if not graduated)
B.S. ECONOMICS	ATENEO DE MANILA UNIVERSITY	1966
MASTER IN BUSINESS ADMINISTRATION	COLUMBIA UNIVERSITY, NEW YORK, USA	1970
ADVANCE MANAGEMENT PROGRAM	HARVARD BUSINESS SCHOOL, BOSTON MASSACHUSETTES	1983

12. Training in Financial Management and Other Related Fields

NATURE/TITLE	CONDUCTED BY	YEAR TAKEN
	N/A	

## III. WORK EXPERIENCE

13. Present Position – This Institution

<u>NAME OF OFFICE</u>	<u>POSITION</u>	<u>DATE ASSUMED</u>
ALSONS CONSOLIDATED RESOURCES, INC.	DIRECTOR	MARCH 1, 2021

14. Present Positions (including corporate directorship) – Other Private Institutions

NAME OF OFFICE	POSITION	INDICATE IF OWNER, PARTNER or STOCKHOLDER
Alsons Consolidated Resources, Inc	Director	Stockholder
Alsons Aquaculture Corp.	Director	Stockholder
Aces Technical Services Corp.	Director	Stockholder
ACIL Corporation	Director	Stockholder
ACR Mining Corporation	Director	Stockholder
Alsons Energy Dev. Corp.	Director	Stockholder

Alsons Insurance & Reinsurance Brokers Corp.	Director	Stockholder
Alabel Sa Lipa Farms, Inc.	Chairman & President	Stockholder
Alsons Land Corporation	Director	Stockholder
Alsons Corporation	Director	Stockholder
Alcor Transport Corporation	Director	Stockholder
Alsons Dev. & Investment Corp.	Director	Stockholder
Alsons Security Co., Inc.	Director	Stockholder
Alsing Power Holdings, Inc.	Director	Stockholder
Alto Power Management Corp.	Director	Stockholder
Alsons Properties Corporation	Director	Stockholder
Alsons Power Holdings Corp.	Director	Stockholder
Aquasur Resources Corp.	Director	Stockholder
Alsons Renewable Energy Corp.	Director	Stockholder
Alabel Solar Energy Corp.	Director	Stockholder
Alsons Thermal Energy Corp.	Director	Stockholder
Alsons Power Supply Corp.	Director	Stockholder
Alsons Realty Corporation	Director	Stockholder
Buayan Cattle Co., Inc.	Director	Stockholder
Bulacnin Agri Farms, Inc.	Chairman & President	Stockholder
Casa Sonoma Agri. Farms, Inc.	Chairman & President	Stockholder
Conal Holdings Corporation	Director	Stockholder
Celestial Holdings, Inc	Chairman & President	Stockholder
Centro Ridge Land Inc.	Chairman & President	Stockholder
Colina de Conrado Farms, Inc.	Chairman & President	Stockholder
Conal Corporation	Director	Stockholder
Davao Industrial Plantation Inc.	Director	Stockholder
Eagle Ridge Golf&Country Club, Inc.	Chairman	Stockholder
Felicidad Holdings, Inc.	Chairman & President	Stockholder
Finfish Hatcheries, Inc.	Director	Stockholder
Kamanga Agro-Indl Ecozone Dev. Corp	Director	Stockholder
Lima Agri Farms, Inc.	Chairman & President	Stockholder
MADE (Market Developers), Inc.	Director	Stockholder
Mapalad Holdings, Inc.	Chairman & President	Stockholder
Mapalad Power Corporation	Director	Stockholder
RCP Holdings, Inc.	Director	Stockholder
Sarangani Logistics Services Inc.	Chairman	Stockholder
Sarangani Agricultural Co., Inc.	Director	Stockholder
Sarangani Energy Corporation	Director	Stockholder
Sunfoods Agri. Ventures, Inc.	Director	Stockholder
Sarangani Cattle Co., Inc.	Director	Stockholder
Seawood Holdings, Inc.	Director	Stockholder
Southern Philippines Power Corp.	Director	Stockholder
San Ramon Power Inc.	Director	Stockholder
Trusto Corporation	Chairman & President	Stockholder
Western Mindanao Power Corp.	Director	Stockholder

15. Present Positions (including directorship) - Government

NAME OF OFFICE	POSITION	INDICATE IF ELECTIVE or APPOINTIVE and PART TIME or FULL TIME
	N/A	

16. Past Position - This Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
ALSONS CONSOLIDATED RESOURCES, INC.	CHAIRMAN & PRESIDENT	AUGUST 2001

17. Past Position (including corporate directorship) - Other Private Institution (last 10 years)

NAME OF OFFICE	POSITION	DURATION
	N/A	

18. Past Position (including directorship) - Government

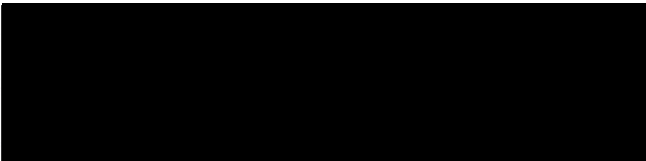

NAME OF OFFICE	POSITION	DURATION
	N/A	

#### IV. FAMILY RELATIONS

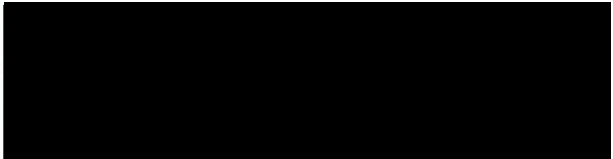

19. Name of Spouse (Surname, Given, Middle): N/A

20. Taxpayer's Identification Number (TIN) : N/A

21. Second Degree Relatives (of legal age only) - By consanguinity

NAME (Surname, Given, Middle)	RELATIONSHIP
	

22. Second Degree Relatives (of legal age only) – By affinity

NAME (Surname, Given, Middle)	RELATIONSHIP
	

23. Is your spouse an Officer/Director of corporations, associations or firms other than this Institution? Yes / No - N/A

If yes, please state:

CORPORATION/ASSOCIATION/FIRM	POSITION
N/A	

24. Have you ever been convicted judicially or administratively of an offense or judicially declared insolvent, spendthrift or incapacitate to contract?  
Yes / No

If yes, please state:

PARTICULARS/ NATURE OF OFFENSE	JURISDICTION	DATE INFORMATION/ COMPLAINT/ PLEADING FILED
N/A		

Note: Please add other information you may wish to consider in this regard. Use additional sheet if necessary.

===NOTHING FOLLOWS===

# Credit Rating

March 4, 2022

**HONORABLE EMILIO B. AQUINO**

Chairman  
SECURITIES AND EXCHANGE COMMISSION  
3/F Secretariat Building, PICC Complex  
Roxas Boulevard, Manila, 1307

Dear Chairman Aquino:

We are pleased to inform you that Philippine Rating Services Corporation (PhilRatings) has assigned an Issuer Credit Rating of **PRS Aa minus (corp.)**, with a **Stable Outlook**, to Alsons Consolidated Resources, Inc. (ACR). This is in relation to the Company's planned issuance of up to P3.0 billion in Commercial Papers (CPs) from 2022 to 2023.

A company rated PRS Aa (corp.) differs from the highest rated corporates only to a small degree, and has a strong capacity to meet its financial commitments relative to that of other Philippine corporates. PhilRatings also included a minus (-) sign to further qualify the rating.

On the other hand, an Outlook is an indication as to the possible direction of any rating change within a one-year period and serves as a further refinement to the assigned credit rating for the guidance of investors, regulators, and the general public. A Stable Outlook is assigned when a rating is likely to be maintained or to remain unchanged in the next twelve months.

The rating reflects the following key considerations: (i) the establishment of development projects in Mindanao that are supportive of the growth of the region's power industry; (ii) the Company's ability to establish joint ventures with strong partners for particular projects; (iii) its planned expansion projects which will further diversify its generation mix; (iv) its strong profitability, despite the ongoing COVID-19 pandemic; (v) the challenges it encountered in securing bilateral contracts for its diesel power plants; and (vi) the improving economic situation amid declining COVID-19 cases and increasing vaccination rate.

We have attached our credit rating report on ACR, including our ratio computations based on the standards of the Securities and Exchange Commission (SEC) for your reference. PhilRatings shall continue to monitor developments in relation to ACR and update the SEC of any corresponding change in our rating.

Thank you for allowing us to be of continued service to the Commission in its objective to develop the Philippine capital market.

Very truly yours,



**ANGELICA B. VILORIA**  
Officer-in-Charge

cc: **ATTY. EMMANUEL Y. ARTIZA**  
Office of the General Accountant

**MR. VICENTE GRACIANO P. FELIZMENIO, JR.**  
Director, Markets and Securities Regulation Department

 <p><b>PhilRatings</b> PHILIPPINE RATING SERVICES CORPORATION</p> <p><i>The Pioneer Domestic Credit Rating Agency</i></p>	<p><b>RATING NEWS</b> <b>March 4, 2022</b></p>
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**Alsons Consolidated Resources, Inc. Receives  
a PRS Aa minus (corp.) Issuer Credit Rating**

Philippine Rating Services Corporation (PhilRatings) assigned an Issuer Credit Rating of **PRS Aa minus (corp.)**, with a **Stable Outlook**, to Alsons Consolidated Resources, Inc. (ACR). This is in relation to ACR's planned issuance of up to P3.0 billion in Commercial Papers (CPs) from 2022 to 2023.

A company rated PRS Aa (corp.) differs from the highest rated corporates only to a small degree, and has a strong capacity to meet its financial commitments relative to that of other Philippine corporates. PhilRatings may also include a plus (+) or minus (-) sign to further qualify its ratings.

On the other hand, an Outlook is an indication as to the possible direction of any rating change within a one-year period and serves as a further refinement to the assigned credit rating for the guidance of investors, regulators, and the general public. A Stable Outlook is assigned when a rating is likely to be maintained or to remain unchanged in the next twelve months.

The rating reflects the following key considerations: (i) the establishment of development projects in Mindanao that are supportive of the growth of the region's power industry; (ii) the Company's ability to establish joint ventures with strong partners for particular projects; (iii) its planned expansion projects which will further diversify its generation mix; (iv) its strong profitability, despite the ongoing COVID-19 pandemic; (v) the challenges it encountered in securing bilateral contracts for its diesel power plants; and (vi) the improving economic situation amid declining COVID-19 cases and increasing vaccination rate.

PhilRatings' ratings are based on available information and projections at the time that the rating process was on-going. PhilRatings shall continuously monitor developments relating to ACR and may change the rating at any time, should circumstances warrant a change.

ACR is a publicly-listed investment holding company of the Mindanao-based Alcantara Group, through its ultimate parent, Alsons Corporation. It has core interests in energy and power generation and property development.

At present, the Company has four existing power plants in Mindanao, with a total power capacity of about 468 megawatts (MW). Of the total, 258 MW (55.1%) is attributable to the Company's diesel power plants while the balance of 210 MW (44.9%) is attributable to its coal power plants. With its various projects in the pipeline, the Company is expecting to add about 221 MW to its current capacity.

Two major development projects are expected to specifically support the growth of Mindanao's power industry. These are the Mindanao-Visayas Interconnection Project (MVIP) and the implementation of the Wholesale Electricity Spot Market (WESM) in Mindanao. MVIP aims for the physical integration of Mindanao with the broader Luzon-Visayas Grids. Once completed, it will enable ACR to sell its capacities to Visayas and Luzon. The project is targeted to be finished by December 2022. WESM, on the other hand, is a centralized platform for buyers and sellers to trade power as a commodity. Both the Luzon and Visayas Grids are already integrated into WESM. For Mindanao, the WESM is expected to commence upon the energization of the Mindanao-Visayas Interconnection. Once fully implemented, the foregoing will serve

as an avenue for the sale of ACR's uncontracted capacities in Mindanao and may also help address the oversupply situation in the region.

ACR has also been able to establish joint ventures with strong partners for particular projects. For its power business, power plants like Western Mindanao Power Corp (WMPC) and Southern Philippines Power Corp (SPPC) are both joint ventures with Aboitiz Power Corporation (AP) and Toyota Tsusho Corporation (TTC). In 2017, ACR partnered with Global Business Power Corporation, a leading power producer in the Visayas, for its coal-fired power plants. Its real estate arm, Alsons Land Corporation (ALC), on the other hand, has been able to team up with Ayala Land, Inc. for the construction of a mixed-use development in Davao City.

While the current capacity of ACR harnesses energy purely from non-renewable sources, it is already venturing into renewable energy generation through its hydroelectric power projects (HEPPs). Of its 221 MW power projects in the pipeline, 116 MW will come from HEPPs while the balance of 105 MW will come from coal-fired power projects. The foregoing expansion plans are in line with the Company's long-term goal of reaching a balanced generation mix where it can serve the complete power requirements of its customers, diversify its revenue mix, and minimize potential risks that may arise from using certain fuel types.

Amid the pandemic, the Company managed to post strong earnings in 2020. ACR's net income grew by 91.7% to P1.9 billion. In the first nine months of 2021 (9M2021), the Company's core net income improved by 20.5% from P949 million in 9M2020 to P1.1 billion. The fully operational SEC plant (Phase 1 and Phase 2) continued to be a major revenue driver for the Company.

Despite its strong profitability, ACR still faces challenges in securing bilateral contracts for its diesel power plants. Of its operational diesel assets, only WMPC is fully contracted. SPPC, on the other hand, is currently mothballed while Mapalad Power Corporation is only 29.1% (30 MW) contracted. In Mindanao, diesel power plants are being displaced by hydro power plants as suppliers of peaking and back-up power due to the former's high fuel costs. As such, the assets will have to be relocated to areas where they will be more relevant and competitive. At present, ACR is in the advanced stage of a project to relocate its diesel assets to another location.

Nonetheless, the Company is expected to benefit from the improving economic situation amid declining COVID-19 cases and increasing vaccination rate. In 2021, the domestic economy expanded by 5.6%. The foregoing is reportedly among the highest in the region and also surpassed the government's target gross domestic product (GDP) growth for 2021. Despite the fresh surge of COVID-19 cases at the start of 2022 triggered by the highly transmissible omicron variant, cases in the country have already started to decline towards the end of January. Given such, various regions in the country have recently started easing lockdowns. As of February 4, 2022, 59.81 million people in the country had been fully vaccinated, while almost 60.66 million have received their first dose. In addition, more than eight million booster shots have been given out.

# Legal Opinion



# AVENIDA & DIAZ LAW OFFICE

2nd Floor ACT Tower  
135 H.V. Dela Costa Street, Salcedo Village  
Makati City, Philippines 1227

avenidalawoffice.com | info@avenidalawoffice.com | +632 8178920, +632 9863012



September 22, 2022

## SECURITIES AND EXCHANGE COMMISSION

Securities and Exchange Commission  
Secretariat Building, PICC Complex  
Roxas Boulevard, Pasay City, 1307

---

Attention: **Vicente Graciano Felizmenio, Jr.**  
Director-Markets and Securities Regulation Department

Re: **Alsons Consolidated Resources Inc. Commercial Paper**

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Gentlemen:

This is to respectfully inform your good office that herein law office through the undersigned acted as independent legal counsel in connection with **Alsons Consolidated Resources Inc.'s** registration of up to **3,000,000,000 commercial paper ("CP")** with the Securities and Exchange Commission.

We have examined a copy of the Registration Statement/Prospectus for the issuance of the CPs and for the purposes of giving this opinion we have assumed without further inquiry:

- a) that all factual statements made in the Registration Statement/Prospectus are correct and complete; and
- b) that no other laws or agreements not disclosed would affect the opinions stated herein but that insofar as the laws of any jurisdiction other than the Philippines may be relevant, such Laws have been complied with.

This legal opinion is confined to and given on the basis pertinent laws and issuances in the Philippines as of date indicated and as currently applied by the courts of the Philippines. We have not investigated and we do not express or imply any opinion on the laws of any other jurisdiction. This opinion is governed by and will be construed in accordance with the laws of the Philippines.

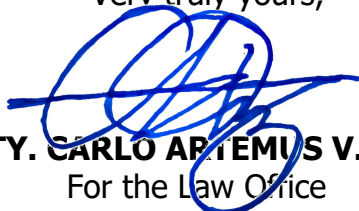
Based upon the foregoing and subject to the limitations and assumptions set forth herein and assuming that there has been no material change of any kind in the contents of the Registration Statement/Prospectus supplied to us and described above. We are of the opinion that as of date:

1. The offering, distribution, and sale of the CPs to the public will constitute the Issuer's legal, valid, and binding obligations enforceable in accordance with the terms of the Offer;
2. The CPs, when fully paid in accordance with the provisions thereof, shall be legally issued and non-assessable; and
3. The statements in the Registration Statement filed with the SEC under the caption "Taxation" are correct statements of the Philippine tax law applicable to the CPs.

This opinion is addressed solely and exclusively to the Commission in connection with the registration and issuance of the CPs hereinabove stated. It may not be relied upon for any other purpose or by any other person, and may not be disclosed to any other person or quoted or referred to without our express prior written consent.

This opinion is given as of the date hereof. And we undertake no responsibility to update or notify the Commission of any change in the matters referred to herein arising after the date of this opinion.

Very truly yours,

  
**ATTY. CARLO ARTEMUS V. DIAZ**  
For the Law Office

# Mandate Letter

## UNDERWRITING AGREEMENT

### KNOW ALL MEN BY THESE PRESENTS:

This Underwriting Agreement (the “**Agreement**”) is made and executed on [•], 2022 by and between:

**ALSONS CONSOLIDATED RESOURCES, INC.**, a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal offices at Alsons Building 2286 Chino Roces Ave., Makati City, Philippines (hereinafter referred to as the “**Issuer**”);

-and-

**SB Capital Investment Corporation**, a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal offices at [address] (“**SB Capital**” or the “**Issue Manager**, [Lead] Underwriter and Bookrunner”).

### RECITALS

**WHEREAS**, the Issuer intends to offer and issue to the public (the “**Offer**”) up to One Billion One Hundred Thirty Five Million Pesos (₱1,135,000,000.00) in face value of Commercial Papers (the “**CPs**”), under ACR’s Three Billion Pesos (₱3,000,000,000.00) Commercial Paper Program registered with and approved by the Securities and Exchange Commission (the “**SEC**”) under SEC MSRD Order No. [.] (the “**Commercial Paper Program**”). This will be the first tranche under the Commercial Paper Program;

**WHEREAS**, the CPs shall be offered and sold to the public in the Philippines through the Issue Manager, [Lead] Underwriter and Bookrunner;

**WHEREAS**, the Issue Manager, [Lead] Underwriter and Bookrunner has agreed to underwrite the CPs on a firm basis under the terms and conditions hereof;

**WHEREAS**, the Issuer has appointed, and hereby confirms the appointment of SB Capital as Issue Manager, [Lead] Underwriter and Bookrunner for the Offer, and SB Capital has accepted the appointment and hereby agrees to sell the CPs under the terms and conditions hereinafter set forth;

**NOW, THEREFORE**, for and in consideration of the foregoing, the parties hereto agree as follows:

### SECTION 1 DEFINITION OF TERMS

1.1 In addition to the terms defined above, when used in this Agreement and unless the context otherwise requires:

<i>“Agreement”</i>	means this Underwriting Agreement and all attachments, amendments, supplements and addenda hereto.
<i>“Applicant”</i>	refers to a person, whether natural or juridical, who seeks to subscribe to the CPs by submitting an Application under the terms and conditions prescribed in the Prospectus and the Offer Supplement.
<i>“Application” or “Application to Purchase”</i>	means the application to purchase the CP substantially in the form attached hereto as <b>Annex B</b> , which includes one (1) fully executed signature card, accompanying payment and other documentary requirements as may be indicated therein.
<i>“Banking Day”</i>	means any day in a week, except Saturday, Sunday or holidays, when banks and financial institutions are not legally required or are authorized to close for business in Makati, Philippines.
<i>“Base Rate”</i>	has the meaning set forth in Section 3.8 (B).
<i>“BVAL”</i>	means Bloomberg Valuation benchmark reference rates as reported in the Bloomberg system.
<i>“CP”</i>	means the up to ₱1,135,000,000.00 commercial paper to be offered for sale to the public .
<i>“Closing Date”</i>	means the last day of the Offer Period for the relevant issuance.
<i>“Credit Spread”</i>	has the meaning set forth in Section 3.8.
<i>“Eligible Applicants”</i>	means any natural person of legal age residing in the Philippines, regardless of nationality, or any corporation, association, partnership, trust account, fund or entity, regardless of nationality.
<i>“Indemnified Person/s”</i>	means Issue Manager, [Lead] Underwriter and Bookrunner and its directors, stockholders, officers, consultants, employees, professional advisors and agents and the directors, stockholders, officers, consultants, employees, professional advisors and

	agents of the Issue Manager, [Lead] Underwriter and Bookrunner's subsidiaries and affiliates.
<i>"Issue Date"</i>	means the date when the particular tranche of the CP are issued to the public.
<i>"Issue Manager, [Lead] Underwriter and Bookrunner"</i>	means the Issue Manager, [Lead] Underwriter and Bookrunner .
<i>"Material Adverse Effect"</i>	means a material adverse effect in the business, condition (financial or otherwise), results of operations, properties or prospects of the relevant person, whether or not arising in the ordinary course of business.
<i>"Offer"</i>	means the primary offering of the CP to Eligible Applicants for subscription, under the terms and conditions contained in this Agreement, the Prospectus, the Offer Supplement and the Application.
<i>"Offer Period"</i>	means the period during which the CPs shall be offered for sale to the public for the relevant issuance.
<i>"Offer Price"</i>	means the price at which the CP are to be sold as provided in Section 3 of this Agreement.
<i>"Pesos" or "₱"</i>	means Philippine Pesos, the lawful currency of the Republic of the Philippines for the time being.
<i>"Prospectus"</i>	means the information memorandum dated [date of prospectus] and circulated in connection with the Offer of the CP, and all amendments, supplements and addenda thereto.
<i>"Rate Setting Date"</i>	has the meaning set forth in Section 3.8 (A).
<i>"Registration Statement"</i>	means the registration statement and other supporting documents filed by the Issuer with the SEC, including the Prospectus and the Offer Supplement, for the offer and sale to the public of the CP, as the same may be amended or supplemented in accordance with the Securities Regulation Code, its implementing rules and such other applicable rules of the SEC.
<i>"SEC"</i>	means the Securities and Exchange Commission of the Philippines.

<i>“SEC Application”</i>	means the Registration Statement and other supporting documents filed by the Issuer with the SEC.
<i>“SRC” or “Securities Regulation Code”</i>	means Republic Act No. 8799 or the Securities Regulation Code of the Philippines.
<i>“Term Deposit Facility of the BSP”</i>	means the term deposit auction conducted by the Bangko Sentral ng Pilipinas, whose results are published in its website, <a href="http://www.bsp.gov.ph">www.bsp.gov.ph</a> and in Bloomberg.
<i>“Terms of the Offer”</i>	means the terms and conditions of the offer, sale and distribution to the public of the CPs as set forth in <b>Annex A</b> .
<i>“Underwriting Commitment”</i>	means the commitment of the Issue Manager, [Lead] Underwriter and Bookrunner to procure purchasers for the CP in accordance with the terms and conditions of this Agreement.
<i>“Underwritten Securities”</i>	means the CP for the specific issuance which the Issue Manager, [Lead] Underwriter and Bookrunner commit to underwrite on a firm basis pursuant to its Underwriting Commitment.

## SECTION 2 THE OFFER OF THE CPS

- 2.1 The Issuer hereby agrees to offer to the public, for purchase, the CPs in one or more issuances. On the basis of the representations, warranties and undertakings of the Issuer and subject to the terms and conditions set forth herein, the Issue Manager, [Lead] Underwriter and Bookrunner hereby undertakes and commits to sell and underwrite on a firm basis the public offering, distribution and sale in the Philippines of the first tranche of the CPs.
- 2.2 Up to One Billion One Hundred Thirty Five Million Pesos (₱1,135,000,000.00) worth of CPs will be offered for sale to the public, comprised of up to [amount in words] (amount in figures) 182 day [rate in words] percent (rate in figures%) Series T CPs and up to [amount in words] (amount in figures) 364 day [rate in words] percent (rate in figures%) Series U CPs.

## SECTION 3 TERMS OF THE OFFER

The offer, sale and distribution to the public of the CPs shall be in accordance with the following terms and conditions, and the Terms of the Offer attached hereto as **Annex A**.

### 3.1 *Issue Size*

Up to One Billion One Hundred Thirty Five Million Pesos (₱1,135,000,000.00) worth of CPs are expected to be issued in the following tranches:

Series T: [amount in words] (amount in figures)  
Series [amount in words] (amount in figures)  
U:

### 3.2 *Issue Price*

Discount to face value if yield is computed on true discount basis.

### 3.3 *Issue Date*

The target issue date for the first tranche under the Commercial Paper Program is in [date]. For the avoidance of doubt, an Issue Date shall at any time be any date which is within the validity of the SEC Permit to Sell.

### 3.4 *Tenor*

Series T CPs shall have a tenor of 182 days from the Issue Date and Series U CPs shall have a tenor of 364 days from Issue Date. The day count convention is Actual/360.

### 3.5 *Denomination*

For Series T, Minimum of Pesos: Five Million (₱5,000,000.00) face value and increments of Pesos: One Hundred Thousand (₱100,000.00)

For Series U, Minimum of Pesos: Five Hundred Thousand (₱500,000.00) face value and increments of Pesos: One Hundred Thousand (₱100,000.00)

### 3.6 *Acceptance / Rejection of the Application*

The Issuer and the Issue Manager, [Lead] Underwriter and Bookrunner reserve the right to accept or reject any application for CPs. In case of over-subscription, the Issuer and the Issue Manager, [Lead] Underwriter and Bookrunner reserve the right to allocate the CPs available to the investors in a manner they deem appropriate.

### 3.7 *Form*

The CPs shall be issued scripless and will be maintained in electronic form with the registrar to be appointed for the purpose.

### 3.8 *Discount Rate*

The Discount Rate on the CPs shall have a fixed rate of [rate]% per annum for the Series T CPs and [rate]% per annum for the Series U CPs.

Discount Rate - The discount rate is the applicable Base Rate plus a Credit Spread.

Base Rate - The base rate is the higher of a) the three-day average BVAL Reference Rate (or its successor) of the corresponding tenor; or b) the rate of the closest tenor of the latest auction of the Term Deposit Facility of the BSP or its subsequent benchmark.

Credit Spread - The credit spread is the margin added to the Base Rate for the agreed Discount Rate.

### 3.9 *Taxation on the Discount*

Generally, the Discount on the CPs shall be subject to a 20% final withholding tax. A CP Holder who is exempt from or is not subject to the aforesaid withholding tax shall be required to submit the following: (i) certified true copy of the tax exemption certificate issued by the Bureau of Internal Revenue; (ii) a duly notarized undertaking, in the prescribed form, declaring and warranting its tax exempt status, undertaking to immediately notify the Issuer of any suspension or revocation of the tax exemption certificates and agreeing to indemnify and hold the Issuer free and harmless against any claims, actions, suits, and liabilities resulting from the non-withholding of the required tax; and (iii) such other documentary requirements as may be required under the applicable regulations of the relevant taxing or other authorities. The Issuer reserves the right to withhold the required tax on the discount of a CP Holder otherwise representing itself to be a tax-exempt institution in the event that such CP Holder fails to comply with or submit the foregoing documentary requirements.

### 3.10 *Documentary Stamps on Original Issuance*

The cost of the documentary stamps on the original issuance of the CPs shall be for the account of the Issuer.

### 3.11 *Principal Repayment*

The principal amount of the CPs will be repaid in full on the Principal Repayment Date.

The Principal Repayment Date is the date of maturity of a CP as stated in the CP certificate, at which the Issuer shall effect payment in full of the CP. If such

Principal Repayment is due on a day that is not a Banking Day, the Principal Repayment Date shall be made on the immediately succeeding Banking Day. No additional interest will be paid in such case.

3.12 *Status of the CPs*

The CPs will constitute direct, unconditional, unsubordinated, general and unsecured obligations of the Issuer ranking at least *pari passu* in all respects and without preference or priority (except for any statutory preference or priority applicable in the winding-up of the Issuer) with all other outstanding unsecured and unsubordinated obligations (contingent or otherwise, present and future) of the Issuer.

**SECTION 4**  
**THE PROSPECTUS AND OTHER SELLING MATERIALS**

- 4.1 For the purpose of the Offer, the Issuer hereby authorizes the Issue Manager, [Lead] Underwriter and Bookrunner, or any other person or entity authorized by the Issue Manager, [Lead] Underwriter and Bookrunner, to use the Prospectus, the Offer Supplement, the Application, and other sales literature that the Issuer, and the SEC have approved; provided, that the Issue Manager, [Lead] Underwriter and Bookrunner shall exert reasonable efforts to ensure that any person or entity which it has authorized to use the Prospectus, the Offer Supplement, the Application and other sales literature shall comply at all times with relevant laws, rules and regulations (including, without limitation, those issued by the SEC) and publicity guidelines issued by the Issuer. The Issuer shall furnish and deliver to the Issue Manager, [Lead] Underwriter and Bookrunner as many copies of the Prospectus, the Offer Supplement, and Application as the Issue Manager, [Lead] Underwriter and Bookrunner may reasonably request for the purpose of the Offer.
- 4.2 The Issue Manager, [Lead] Underwriter and Bookrunner agrees not to use any selling material except the Prospectus, the Offer Supplement, the Application and other sales literature approved by the Issuer and the SEC. Likewise, notices or advertisements relating to the distribution and sale of the CPs shall be subject to the prior approval of the Issuer and the SEC.
- 4.3 The Issuer, with the assistance of the Issue Manager, [Lead] Underwriter and Bookrunner, shall exert reasonable efforts whenever necessary to obtain the requisite consents and approvals from the relevant regulatory bodies with respect to any advertisement or other sales literature to be used or distributed in connection with the Offer.
- 4.4 Notwithstanding the approval by the SEC of the Issuer's Prospectus, the Offer Supplement, the SEC Application and other sales literatures, such approval shall not be construed as an endorsement, recommendation of, nor an

invitation to subscribe to the CPs. The SEC shall not be liable for any damages or liabilities that any person may suffer or incur as a result of the use of any advertisement or press release relating to the Offer.

## **SECTION 5 DUTIES OF THE PARTIES**

- 5.1 On the basis of the representations, warranties and covenants of the Issuer, the Issue Manager, [Lead] Underwriter and Bookrunner hereby agrees to the following:
- a. The Issue Manager, [Lead] Underwriter and Bookrunner commits and undertakes to sell the first tranche of the program amounting to One Billion One Hundred Thirty-Five Million Pesos (₱1,135,000,000.00) (the “Underwriting Commitment”). This Underwriting Commitment shall be on a firm basis.
  - b. Unless a cease and desist order is issued by the SEC, the Issue Manager, [Lead] Underwriter and Bookrunner’s Underwriting Commitment shall be co-terminus with the validity of the Issuer’s authority to issue the first tranche of the CPs.
  - c. The Issue Manager, [Lead] Underwriter and Bookrunner agrees during the validity period of the Issuer’s authority to issue the first tranche of the CPs, it shall timely submit to the SEC such reports that are or may be required by the SEC from time to time.

## **SECTION 6 CONDITIONS TO THE UNDERWRITING COMMITMENT**

- 6.1 Save to the extent any of the conditions set out below has been waived by the Issue Manager, [Lead] Underwriter and Bookrunner, the Underwriting Commitment of the Issue Manager, [Lead] Underwriter and Bookrunner herein is conditioned upon the following:
- (a) The receipt by the Issue Manager, [Lead] Underwriter and Bookrunner of the following documents, each in form and substance acceptable to the Issue Manager, [Lead] Underwriter and Bookrunner, on or before Closing Date, unless otherwise specified herein:
    - (1) Certified true copies of the latest Amended Articles of Incorporation and By-laws of the Issuer together with the SEC Certificate of Filing of the same, duly certified by the corporate secretary of the Issuer;

(2) Copies of all corporate approvals, duly certified by the corporate secretary of the Issuer, authorizing the Issuer to execute, deliver and perform its obligations hereunder and authorizing its signatories hereto to execute and deliver this Agreement and all other documents incidental hereto;

(c) The receipt by the Issue Manager, [Lead] Underwriter and Bookrunner of the copies of the Order of Registration and Permit to Offer and Sell Securities no later than the start of the Offer Period.

6.2 The Issue Manager, [Lead] Underwriter and Bookrunner shall notify the Issuer in writing in the event that any of the above conditions are not complied with on the dates that compliance is required (or, in the absence of any such dates, on Issue Date), and thereupon, this Agreement shall, upon prior written notice to the Issuer, be deemed cancelled and terminated, with the effect set forth in Section 12.1 hereof.

## **SECTION 7 UNDERWRITING FEES**

7.1 In consideration of the services rendered by the Issue Manager, [Lead] Underwriter and Bookrunner pursuant to this Agreement, the Issuer shall pay to the Issue Manager, [Lead] Underwriter and Bookrunner such fees on Issue Date, at such rate agreed upon by the parties in a separate agreement.

7.2 All the foregoing fees shall be paid from the proceeds of the Offer before the proceeds therefrom are released to the Issuer.

7.3 All the foregoing fees to be paid to the Issue Manager, [Lead] Underwriter and Bookrunner shall be paid in Philippine Pesos, net of the applicable gross receipt tax which shall be for the account of the Issuer.

7.4 Other than the fees and expenses described under this section, and such other fees and expenses that may be agreed between the Issuer and the Issue Manager, [Lead] Underwriter and Bookrunner in the separate fee agreement referred to in Section 7.1, there shall be no other charge, fee or other amount for the services rendered by the Issue Manager, [Lead] Underwriter and Bookrunner to the Issuer hereunder or the rights granted hereunder.

## **SECTION 8 FEES, TAXES AND EXPENSES**

8.1 Reasonable out-of-pocket expenses, such as, but not limited to, photocopying, printing, transportation and communication expenses shall be for the Issuer's account, provided Issuer receives from the Issue Manager, [Lead] Underwriter and Bookrunner proper receipts and other supporting documents.

For the avoidance of doubt, and subject to the foregoing paragraph, the Issuer shall be responsible for all expenses relating to this Agreement, including, but not limited to:

- (a) registry and listing fees;
- (b) fees and expenses of the Issuer's legal counsel and other professional fees;
- (c) documentary stamp tax applicable to the Offer of the CPs (if applicable);
- (d) expenses relating to the preparation, printing and filing with the SEC of the Registration Statement, Prospectus and Offer Supplement (including any and all amendments and supplements thereto);
- (e) expenses relating to the marketing and road show activities for the Offer; and
- (f) any and all printing, mailing and communication expenses and other out-of-pocket expenses which may be reasonably incurred by the Issuer and the Issue Manager, [Lead] Underwriter and Bookrunner in connection with the Offer, the transfer of the CPs, in connection with this Agreement and other related agreements in implementation thereof duly supported by receipts and other supporting documents.

Notwithstanding any other provisions in this Agreement, in the event that the Issue Manager, [Lead] Underwriter and Bookrunner cancels or terminates this Agreement citing any of the events listed in sub-sections 11.1 (b), (c), (d), (e), (f) or (g), the Issuer shall only be liable for the fees, disbursements and expenses listed above that are actually incurred as of the date of such cancellation or termination.

- 8.2 The Issuer shall pay for the cost of any documentary stamp tax that may be required by law for the offer and sale of the CPs, and it shall hold the Issue Manager, [Lead] Underwriter and Bookrunner and purchasers of the CPs, their successors and assigns, free and harmless from any liability, cost, damage and expense that may arise from any failure of the Issuer to discharge this obligation.
- 8.3 Subject to Section 8.1, the aforementioned expenses shall be paid directly by the Issuer out of the proceeds of the Offer. The Issuer shall cause the Issue Manager, [Lead] Underwriter and Bookrunner to release payments of the aforesaid fees and expenses within five (5) Banking Days from presentation by the Issue Manager, [Lead] Underwriter and Bookrunner of the pertinent statements and/or supporting documents.

**SECTION 9**  
**REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE ISSUER**

- 9.1 The Issuer represents and warrants to and covenants with the Issue Manager, [Lead] Underwriter and Bookrunner that:
- (a) The Issuer is a corporation duly organized, validly existing and in good standing under and by virtue of the laws of the Philippines, has its principal office indicated in this Agreement and has the corporate power and authority to conduct its business as presently being conducted and to own all its properties and assets now owned by it as well as those to be hereafter acquired by it for the purpose of its business.
  - (b) This Agreement has been duly authorized, executed and delivered, and constitutes the legal, valid and binding obligation of the Issuer, enforceable in accordance with its terms.
  - (c) All corporate and/or governmental authorizations, approvals, rulings, registrations then required or desirable on the part of the Issuer for the Offer, for the circulation of the Prospectus and the Offer Supplement, and for the Issuer to enter into and comply with its obligations under this Agreement, will have been obtained or effected on/or before the commencement of the Offer Period.
  - (d) All conditions imposed under the Securities Regulation Code and any subsequent conditions imposed by the SEC for the Offer under this Agreement have been or will have been complied with by the Issuer as of the date and/or time that they are required to be complied with.
  - (e) The Issuer shall promptly advise the Issue Manager, [Lead] Underwriter and Bookrunner: (i) of any request by the SEC to the Issuer for any updating, amendment or supplement to the Registration Statement, the Prospectus or the Offer Supplement or for any additional information thereon; and (ii) of the issuance by any governmental agency or office of any cease and desist order suspending the distribution or sale of the CPs or the initiation of any proceeding for any such purpose. No amendment or supplement to the Registration Statement, Prospectus, the Offer Supplement have been or will be made during the Offer Period without prior written approval of the Issue Manager, [Lead] Underwriter and Bookrunner and of the SEC, which approval shall not be unreasonably withheld.
  - (f) The Registration Statement, the Prospectus and the Offer Supplement as of their respective dates, and if amended or supplemented, as of the date of such amendment or supplement, are not violative of any statute,

or any rule or regulation of any government agency or office, and do not contain any untrue statement of a material fact, nor do they omit any material fact required to be stated therein for purposes of a fair disclosure or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Registration Statement, the Prospectus and the Offer Supplement contain a reasonably complete description of the business, properties and operations of the Issuer, its capitalization, the CPs, and the Terms of the Offer. The Registration Statement, the Prospectus and the Offer Supplement shall continue to be in the aforementioned condition during the Offer Period up to the Issue Date save to the extent any such change in the condition is not reasonably expected to have a material adverse effect on the Issuer.

- (g) The Offer, the distribution and sale of the CPs to the public and the obligations of the Issuer under this Agreement will constitute its legal, valid and binding obligations enforceable in accordance with the terms thereof and the Offer, and the execution and delivery of this Agreement, the public offer, distribution of the CPs, the compliance by the Issuer with its obligations under this Agreement and the consummation of the transactions contemplated herein will not conflict with, nor constitute a breach of or default of, the Articles of Incorporation, as amended, By-laws, as amended, or any resolution of the Board of Directors of the Issuer, or any rights of the stockholders of the Issuer, or any contract or instrument by which the Issuer or any of its properties is bound, or by any law of the Republic of the Philippines or any regulation, judgment, or order of any office, agency or instrumentality thereof applicable to the Issuer or its properties.
- (h) No information has been withheld from the Issuer's independent public accountants for the purposes of the relevant audited financial statements as set out in the Prospectus and the Offer Supplement and as used in connection with the Offer, save to the extent any information that has not been disclosed to such accountants would not have a material adverse effect on the Issuer. The Issuer's independent public accountants are independent auditors within meaning of applicable regulation in the Philippines.
- (i) The audited financial statements of the Issuer as of December 31, 2021 (hereinafter, the "Financial Statements") are prepared in conformity with Philippine Financial Reporting Standards and in accordance with the books and records of the Issuer, are true, complete and correct in all material respects, have been prepared in accordance with generally accepted accounting principles prevailing as of 2021, and fairly present the Issuer's financial condition and results of operations as of the date thereof and for the period then ended. Unless otherwise disclosed in the Prospectus and the Offer Supplement, since the date of its last

audited accounts, the Issuer has carried on business in the ordinary and usual course and since such date has not entered into any contracts or commitments of an unusual or onerous nature outside the ordinary and usual course of its business which are material in the context of its business, and except as disclosed in the Prospectus, there has been no change in the business, condition (financial or otherwise), results of operations, properties or prospects of the Issuer, whether or not arising in the ordinary course of business, which is reasonably expected to have a material adverse effect on the Issuer.

- (j) Except to the extent disclosed in the Prospectus or the Offer Supplement or reflected or adequately reserved against in the Financial Statements or in the explanatory notes thereto, the Issuer has, as of the date thereof, no material liabilities or obligations of any nature, whether accrued, absolute, contingent or otherwise, including but not limited to, tax liabilities due or to become due and whether incurred in respect of, or measured by any income for, any period prior to such date or arising out of transactions entered into, or any state of facts existing, prior thereto, except for such tax liabilities which may be contested in good faith by the Issuer, or such tax liabilities the non-payment of which is not expected to have a material adverse effect on the Issuer.
- (k) The Issuer is conducting its business and operations in compliance with the applicable laws and directives of government authorities having the force of law. The Issuer has filed true and complete tax returns and has paid all taxes due in the conduct of its operations, except to the extent the payment of such taxes is being contested in good faith and by appropriate proceedings or any non-payment or non-filing is not reasonably expected to have a material adverse effect on the Issuer.
- (l) Save as otherwise disclosed in the Prospectus, the Offer Supplement, the Financial Statements, or otherwise in writing to the Issue Manager, [Lead] Underwriter and Bookrunner, there are no legal, administrative or arbitration actions, suits or proceedings pending or, to the best of the knowledge after due diligence of the directors and senior officers of the Issuer listed in the Prospectus and/or the Offer Supplement, threatened against or affecting the Issuer which, if adversely determined, would have a material adverse effect on the Issuer or which enjoin or otherwise adversely affect the execution, delivery or performance of this Agreement.
- (m) Since the respective dates as of which information is given in the Registration Statement, the Prospectus and the Offer Supplement and except as otherwise indicated therein, there has been no material change in the management, ownership, business, condition (financial or otherwise), results of operations, properties, or prospects of the Issuer, whether or not arising in the ordinary course of business.

- (n) The Issuer has not performed, and shall not perform, any act or enter into contractual arrangements, which render or shall render the Issuer's permits and/or governmental authorizations subject to suspension and/or revocation.

The above representations and warranties are true and correct as of the date of this Agreement and shall remain true and correct from the start of the Offer Period to the Issue Date.

## **SECTION 10 INDEMNITY CLAUSE**

- 10.1 The Issuer shall indemnify and hold the Indemnified Persons free and harmless from any and all losses, claims, damages, liabilities and expenses, or any actions (including, without limitation, legal expenses incurred in investigating and defending against claims arising from the Issue Manager, [Lead] Underwriter and Bookrunner's performance of its obligations under this Agreement) with respect thereto, arising out of or by virtue of any actual or alleged: (i) failure of the Issuer to comply with any of its undertakings, covenants or other obligations in this Agreement and related agreements, and will pay for or reimburse within three (3) Banking Days from demand of the [Issue Manager, [Lead] Underwriter and Bookrunner for any legal or other expense reasonably incurred by it in connection with investigating or defending against such losses, claims, damages, expenses, liabilities or actions, save to the extent that any such loss, claim, damage, expense, liability or action results from the misconduct or negligence of the relevant Indemnified Person.
- 10.2 The Issuer shall indemnify and hold the Indemnified Persons free and harmless from any and all losses, claims, damages, liabilities and expenses including, without limitation, legal expenses incurred in investigating and defending against such judgment arising from a final and executory judgment rendered by a court of competent jurisdiction, or actions with respect thereto arising directly out of, or in connection with the appointment of the Issue Manager, [Lead] Underwriter and Bookrunner as such pursuant to this Agreement. Notwithstanding these, nothing in this Agreement shall be construed as excusing the Issue Manager, [Lead] Underwriter and Bookrunner from their obligation under section 5(A) of the Omnibus Rules and Regulations for Investment Houses and Universal Banks as Underwriters of Securities.
- 10.3 The obligation and undertaking herein of the Issuer to indemnify and hold the Issue Manager, [Lead] Underwriter and Bookrunner free and harmless shall survive or remain in full force and effect notwithstanding the completion of the Offer and the complete performance of the other terms and conditions of this Agreement.

- 10.4 Notwithstanding any other provision in this Agreement to the contrary, the liability of the Issuer to the Issue Manager, [Lead] Underwriter and Bookrunner arising from this Agreement shall not exceed the fees received by the latter pursuant to this Agreement.

**SECTION 11**  
**TERMINATION OR CANCELLATION OF**  
**THE UNDERWRITING COMMITMENT OR AGREEMENT**

- 11.1 Subject to Section 11.2, the Issue Manager, [Lead] Underwriter and Bookrunner may cancel or terminate the Underwriting Commitment by giving written notice to the Issuer if, prior to the issue date of the CPs, any of the following events occurs:
- (a) The Issuer fails to perform any of its material undertakings, covenants and obligations herein.
  - (b) An order canceling or terminating the offer, sale, distribution or issuance of the CPs is issued by any competent governmental authority.
  - (c) A change or impending change, from the date of this Agreement in the law, rule, regulation, policy or practice, or a ruling, interpretation, decree or order is issued, made or adopted which shall: (i) materially and adversely affect any of the features or marketability of the CPs; or (ii) materially and adversely affect the business, condition (financial or otherwise), results of operations, properties or prospects of the Issuer; or (iii) render illegal the performance by the Issue Manager, [Lead] Underwriter and Bookrunner of any of its material obligations hereunder.
  - (d) There occurs any event or change from the date of this Agreement, of a political, military, economic or other nature; or there occurs any adverse change in local, national or international financial, political, economic or stock market conditions which, in the reasonable opinion of the Issue Manager, [Lead] Underwriter and Bookrunner, would have a material adverse effect on the distribution, offer and sale of the CPs in the Philippines.
  - (e) There occurs or is seriously threatened, or there becomes known to the Issue Manager, [Lead] Underwriter and Bookrunner, from the date of this Agreement, any adverse change or development in the Issuer's management, finances or assets, corporate structure or relationships, actual or potential liabilities, investments, revenues, operations, and the conditions thereof, or business and profitability prospects.

- (f) The Issuer is compelled or ordered by a competent government authority to cease and desist from continuing any material portion of its operations.
- (g) The Issuer shall be adjudicated bankrupt or insolvent, or shall admit in writing its inability to pay all or substantially all its debts as they mature, or shall make or threaten to make an assignment for the benefit of, or a composition or assignment with, its creditors or any class thereof, or shall declare or threaten to declare a moratorium on its indebtedness or any class thereof; or the Issuer shall apply for or consent to the appointment of any receiver, trustee or similar officer for it or for all or any substantial part of its property; or such receiver, trustee or similar officer shall be appointed and such appointment shall continue undischarged for a period of forty-five (45) days; or the Issuer shall initiate or institute (by petition, application or otherwise howsoever), or consent to the institution of any bankruptcy, insolvency, reorganization (other than an increase in capital or a revision in the capital structure of the Issuer as disclosed or envisioned in the Prospectus), arrangement, readjustment of debt, suspension of payment, dissolution, liquidation or similar proceeding relating to it under the laws of any jurisdiction; or such proceeding shall be instituted against it without its consent and shall remain undismissed for a period of forty-five (45) days; or any judgment, writ, warrant of attachment or execution or similar process shall be issued or levied against any material asset, or material part thereof, of the Issuer and such judgment, writ or similar process shall not be released, vacated or fully bonded within forty-five (45) days after its issue or levy; or any event occurs which under the laws of the Philippines or the regulations of any applicable political subdivision thereof has an effect equivalent to any of the foregoing.
- (h) Any other event, whether or not similar to any of the foregoing, should occur or be revealed from the date of this Agreement which, in the reasonable determination of the Issue Manager, [Lead] Underwriter and Bookrunner, involves a material change in the circumstances existing when this Agreement was entered into which, in each case, in the reasonable opinion of the Issue Manager, [Lead] Underwriter and Bookrunner, is or will make it impracticable or inadvisable for any material part of this Agreement and/or the Offer to be performed or implemented as envisaged.

11.2 The Issue Manager, [Lead] Underwriter and Bookrunner may cancel or terminate the Underwriting Commitment by giving written notice to the Issuer if, on or prior to the Offer of the CPs, performance of or compliance with any of the undertakings of the Issue Manager, [Lead] Underwriter and Bookrunner, or its covenants and obligations herein becomes impossible due to conditions beyond its control, including, *force majeure*, natural calamities and disasters,

flood, storm, earthquake, wars, riots, insurrections, terrorist acts and/or any other cause beyond the reasonable control of the Issue Manager, [Lead] Underwriter and Bookrunner.

- 11.3 The Issue Manager, [Lead] Underwriter and Bookrunner shall not exercise the right to cancel or revoke the Underwriting Commitment for any of the above grounds until and unless it has taken its best efforts to first consult the Issuer.
- 11.4 The Issuer may cancel or terminate the Agreement by giving written notice to the Issue Manager, [Lead] Underwriter and Bookrunner if any of the following events occurs:
- (a) The Issue Manager, [Lead] Underwriter and Bookrunner fails to perform any of its material undertakings, covenants and obligations herein.
  - (b) An event under Section 11.1(b) or 11.1(c) occurs.
  - (c) An event under Section 11.1(d) occurs, which, in the reasonable opinion of the Issuer, would materially affect the distribution, offer and sale of the CPs in the Philippines.
  - (d) There occurs or is seriously threatened, or there becomes known to the Issuer, from the date of this Agreement any adverse change or development in the Issue Manager, [Lead] Underwriter and Bookrunner's management, finances or assets, corporate structure or relationships, actual or potential liabilities, investments, revenues, operations, and the conditions thereof, or business and profitability prospects.
  - (e) The Issue Manager, [Lead] Underwriter and Bookrunner is compelled or ordered by a competent government authority to cease and desist from continuing any material portion of its operations.
  - (f) The Issue Manager, [Lead] Underwriter and Bookrunner shall be adjudicated bankrupt or insolvent, or shall admit in writing its inability to pay all or substantially all its debts as they mature, or shall make or threaten to make an assignment for the benefit of, or a composition or assignment with, its creditors or any class thereof, or shall declare or threaten to declare a moratorium on its indebtedness or any class thereof; or the Issuer shall apply for or consent to the appointment of any receiver, trustee or similar officer for it or for all or any substantial part of its property; or such receiver, trustee or similar officer shall be appointed and such appointment shall continue undischarged for a period of forty-five (45) days; or the Issue Manager, [Lead] Underwriter and Bookrunner shall initiate or institute (by petition, application or otherwise howsoever), or consent to the institution of any bankruptcy,

insolvency, reorganization (other than an increase in capital or a revision in the capital structure of the Issuer as disclosed or envisioned in the Prospectus), arrangement, readjustment of debt, suspension of payment, dissolution, liquidation or similar proceeding relating to it under the laws of any jurisdiction; or such proceeding shall be instituted against it without its consent and shall remain undismissed for a period of forty-five (45) days; or any judgment, writ, warrant of attachment or execution or similar process shall be issued or levied against any material asset, or material part thereof, of the Issuer and such judgment, writ or similar process shall not be released, vacated or fully bonded within forty-five (45) days after its issue or levy; or any event occurs which under the laws of the Philippines or the regulations of any applicable political subdivision thereof has an effect equivalent to any of the foregoing.

- (g) Any other event, whether or not similar to any of the foregoing, should occur or be revealed from the date of this Agreement which, in the reasonable determination of the Issuer, involves a material change in the circumstances existing when this Agreement was entered into which, in each case, in the reasonable opinion of the Issuer, is or will make it impracticable or inadvisable for any material part of this Agreement and/or the Offer to be performed or implemented as envisaged.

- 11.5 The Agreement shall automatically terminate upon the expiry of the Issuer's authority to issue CPs.
- 11.6 In all instances of termination of this Agreement, the Issuer and Issue Manager, [Lead] Underwriter and Bookrunner shall give notice to the SEC (specifically to the Markets and Securities Regulation Department) of the fact of termination, as well as the cause and circumstances surrounding the termination.

## **SECTION 12 EFFECT OF CANCELLATION**

- 12.1 Immediately upon receipt by the Issue Manager, [Lead] Underwriter and Bookrunner from the Issuer of a notice of cancellation or termination, the Issue Manager, [Lead] Underwriter and Bookrunner shall desist from receiving any application for the CPs and shall return or otherwise cause to return to the applicants all monies so far received from them.

## **SECTION 13 MISCELLANEOUS PROVISIONS**

### 13.1 *Governing Law and Disputes*

This Agreement shall be governed by the laws of the Republic of the Philippines. The Parties agree that any dispute arising out of the Agreement shall be referred to and finally resolved in Makati City in accordance with the arbitration rules of Philippine Dispute Resolution Center, Inc. ("PDRCI") in force at the time such arbitration is commenced. The arbitral tribunal shall consist of one (1) arbitrator appointed by the Chairman of PDRCI in accordance with its rules. The parties agree that the language of any arbitration proceedings shall be English. Any award shall be final and binding upon the parties concerned, and judgment upon the award rendered by the arbitrators may be entered in the appropriate courts of Makati City, Philippines to the exclusion of all other courts and venue.

### 13.2 *Notices*

For purposes of this Agreement, all instructions, notices, requests and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been fully given on the date of actual receipt if delivered personally or through a reputable courier service to the parties at their respective addresses given above.

### 13.3 *Binding Effect*

This Agreement shall be binding upon, and inure solely to the benefit of the Issue Manager, [Lead] Underwriter and Bookrunner, the Issuer, their respective directors, stockholders, officers, consultants, employees, professional advisers and agents, their respective successors and assignees, and no other person shall acquire or have any right under or by virtue of this Agreement.

### 13.4 *Non-waiver; Cumulative Remedies*

No failure or delay by any party to exercise or to insist upon the performance, in whole or in part, of any term, condition, covenant, right, legal or equitable remedy or any provision of this Agreement, shall constitute a waiver of any such term, condition, covenant, right, legal or equitable remedy or provision, or preclude such party from exercising or insisting upon the performance, in whole or in part, of any such term, condition, covenant, right, legal or equitable remedy or provision of this Agreement at any later time. No waiver of the applicability of any provision of this Agreement shall be deemed implied from the execution by the Issue Manager, [Lead] Underwriter and Bookrunner, and the Issuer of this Agreement. All remedies, rights and options under this Agreement or otherwise afforded a party shall be cumulative and not alternative, and shall be in addition to and not in substitution for or in derogation of the rights and remedies conferred by law. Unless otherwise required under this Agreement, no notice to or demand on a party in any case

shall entitle it to any other or further notice or demand in similar or other circumstances.

13.5 *Severability of Provisions*

If any one or more of the provisions contained in this Agreement shall be declared invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions herein shall not, to the extent permitted by law, in any way be affected or impaired.

13.6 *Entire Agreement*

Except as set forth in the Prospectus, Offer Supplement, Application, separate fee agreement, or such other supporting documents filed by the Issuer with the SEC, this Agreement constitutes the entire agreement among the Parties with respect to the subject matter contemplated in this Agreement and supersedes all prior agreements and undertakings, both written and oral between the Parties with respect to the subject matter of this Agreement.

13.7 *Counterparts*

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same Agreement. Each Party may execute this Agreement by signing any such counterpart.

*[Signature page follows]*

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers on the date first above written.

**ALSONS CONSOLIDATED RESOURCES, INC.**  
(Issuer)

By:

PHILIP EDWARD B. SAGUN  
Deputy Chief Financial Officer

## ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES )  
 ) S. S.

BEFORE ME, a Notary Public for and in \_\_\_\_\_, this \_\_\_\_\_, personally appeared the following:

<u>Name</u>	<u>Competent Evidence of Identity</u>	<u>Issued On/At</u>

known to me and by me known to be the same persons who executed the foregoing Underwriting Agreement and they acknowledged to me that the same is their own free and voluntary act and deed as well as of the corporations they respectively represent.

WITNESS MY HAND AND SEAL on the date and at the place first abovewritten.

Doc. No. \_\_\_\_;  
Page No. \_\_\_\_;  
Book No. \_\_\_\_;  
Series of 2022.

**[SB Capital]**  
(Issue Manager, [Lead] Underwriter and Bookrunner)

By:

\_\_\_\_\_  
[.]  
[.]

\_\_\_\_\_  
[.]  
[.]

**ACKNOWLEDGMENT**

**REPUBLIC OF THE PHILIPPINES )**  
**) S. S.**

BEFORE ME, a Notary Public for and in \_\_\_\_\_, this \_\_\_\_\_, personally appeared the following:

<u>Name</u>	<u>Competent Evidence of Identity</u>	<u>Issued On/At</u>

known to me and by me known to be the same persons who executed the foregoing Underwriting Agreement and they acknowledged to me that the same is their own free and voluntary act and deed as well as of the corporations they respectively represent.

WITNESS MY HAND AND SEAL on the date and at the place first above written.

Doc. No. \_\_\_\_;  
Page No. \_\_\_\_;  
Book No. \_\_\_\_;  
Series of 2022.

**ANNEX A**  
**OFFER TERMS AND CONDITIONS**

The following are the terms and conditions of the First Tranche:

Issuer	: Alsons Consolidated Resources Inc.
Issue Manager	: SB Capital Investment Corporation (“SB Capital”)
Issue Manager, [Lead] Underwriter and Bookrunner	: SB Capital Investment Corporation (“SB Capital”)
Instrument	: Registered Commercial Paper
Issue Size	: Up to One Billion One Hundred Thirty Five Million Pesos (₱1,135,000,000.00).
Use of Proceeds	: Debt Refinancing and Working Capital Requirements
Tenor / Initial Issuance	: The tenor of the issuance shall be as follows:  Series T: One Hundred Eighty Two (182) days from Issue Date  Series U: Three Hundred Sixty Four (364) days from Issue Date
Denomination	: For Series T Minimum of Pesos: Five Million Pesos (₱5,000,000.00) face value and increments of Pesos: Ten Thousand Pesos (₱10,000.00)  For Series U Minimum of Pesos: Five Hundred Thousand Pesos (₱500,000.00) face value and increments of Pesos: Ten Thousand Pesos (₱10,000.00)
Issue Price	: Discount to Face Value
Issue Date	: The target issue date is in [.]. For the avoidance of doubt, an Issue Date shall at any time be any date which is within the validity of the SEC Permit to Sell.
Discount Rate	: Benchmark Rate + Credit Spread
Minimum Denomination for Secondary Trading	: Minimum of Pesos: One Hundred Thousand (₱100,000) face value and increments of Pesos: Ten Thousand (₱ 10,000)
Benchmark Rate	: The higher of the three-day average PHP BVAL benchmark rate of the corresponding tenor or the closest tenor of the Term Deposit Facility of the Bangko Sentral ng Pilipinas of

	<p>its successor benchmark.</p> <p>The corresponding benchmark rates are as follows:</p> <p>Series T: PHP BVAL 6M, or its successor benchmark rate</p> <p>Series U: PHP BVAL 12M, or its successor benchmark rate</p>
Interest Computation	: The Interest/Discount Rate and Rollover/Discount Rate will be calculated on a true-discount basis
Principal Repayment	<p>: The principal amount of the CPs will be repaid in full at their respective Maturity Dates, unless the investor provides written instruction to rollover the entire amount or a portion thereof.</p> <p>If such principal repayment is due on a day that is not a business day, the principal repayment date shall be made on the immediately succeeding business day. No additional interest will be paid in such case.</p>
Status	: The CPs will constitute direct, unconditional, unsubordinated, general and unsecured obligations of the Issuer ranking at least pari passu in all respects and without preference or priority (except for any statutory preference or priority applicable in the winding-up of the Issuer) with all other outstanding unsecured and unsubordinated obligations (contingent or otherwise, present and future of the Issuer.
Form	: The CPs shall be issued scripless and will be maintained in electronic form with the Registrar to be appointed for the purpose
Taxation	<p>: Interest paid on the CPs shall be subject to a 20% final withholding tax.</p> <p>A CP Holder who is exempt from or is not subject to the aforesaid withholding tax shall be required to submit a tax exemption certificate and other applicable documents.</p>
Registrar	: Philippine Depository & Trust Corp.
Paying Agent	: Philippine Depository & Trust Corp.
Facility Agent	<p>: AB Capital and Investment Corporation – Trust Department</p> <p>The Facility Agent has no direct relations with the Issuer.</p>
Secondary Trading	: The CPs are intended to be listed at the Philippine Dealing & Exchange Corp. (PDEX) for secondary trading of the CPs

	and upon such listing, all secondary trading may be coursed through eligible PDEX Trading Participants.
Market Maker	: SB Capital Investment Corporation
Manner of Purchase	: The CPs will be available for sale from the Issue Manager, [Lead] Underwriter and Bookrunner and Selling Agents, if any, subject to minimum purchase amount and denomination.
Acceptance / Rejection of the Application	: The Issuer and the Issue Manager, [Lead] Underwriter and Bookrunner reserve the right to accept or reject any application for CPs. In case of over-subscription, the Issuer and the Issue Manager, [Lead] Underwriter and Bookrunner reserve the right to allocate the CPs available to the investors in a manner they deem appropriate.
Delivery of CP	: Delivery of the CPs will be made upon full payment of the Offer Price to the Issue Manager, [Lead] Underwriter and Bookrunner and/or Selling Agents
Liabilities	: The Company as the CP issuer is liable and responsible for any and all obligations arising from the sale of the CP as provided under pertinent sections of the Negotiable Instruments Law, the SRC and applicable laws of the Philippines as well as in the Underwriting Agreement and related agreements. In addition, the Issuer is responsible for complying with all reportorial requirements of the SEC in connection with the issuance of the CP.
Credit Rating	: The Issuer has a rating of PRS Aa minus as assigned by Philratings effective 23 February 2022 based on the following considerations:  (i) the establishment of development projects in Mindanao that are supportive of the growth of the region's power industry;  (ii) the Company's ability to establish joint ventures with strong partners for particular projects;  (iii) its planned expansion projects which will further diversify its generation mix;  (iv) its strong profitability, despite the ongoing COVID-19 pandemic;  (v) the challenges it encountered in securing bilateral contracts for its diesel power plants; and

	(vi) the improving economic situation amid declining COVID-19 cases and increasing vaccination rate.
Security	: Negative pledge on the Company's existing and future assets, except (i) to secure statutory obligations, (ii) to enable the Company to continue to enter into its usual transactions in the ordinary course of business, (iii) those imposed by law or arising out of pledges or deposits under workmen's compensation laws or other social security or retirement benefits or similar legislation, and (iv) those created for the purpose of paying current taxes, assessments or other governmental charges which are not delinquent or remain payable without any penalty, or the validity of which is contested in good faith by appropriate proceedings upon stay of execution of the enforcement thereof.
Cross Default	: The Company shall be considered to be in default in case the Company fails to pay or defaults in the payment of any installment of the principal or interest relative to, or fails to comply with or to perform, any other material obligation, or commits a breach or violation of any of the material terms, conditions or stipulations, of any agreement, contract or document with any persons to which the Company is a party or privy, whether executed prior to or after the date hereof, or under which the Company has agreed to act as guarantor, surety or accommodation party, which, under the terms of such agreement, contract, document, guaranty or suretyship, including any agreement similar or analogous thereto, shall constitute a material default thereunder after allowing for all applicable grace periods. No default will occur under this clause if the aggregate amount the Company fails to pay is less than Php 35 million (or its equivalent in any other currency or currencies)".
Other Terms and Conditions	: <ol style="list-style-type: none"> <li>1. The CPs will not be convertible to any other security or equity of the Issuer.</li> <li>2. The Issuer will not set up any sinking fund for the redemption of the CPs.</li> <li>3. Substitution of the CP with another type of security will not be permitted.</li> </ol> <p>Other terms and conditions as may be agreed upon among the Issuer, the Issue Manager, [Lead] Underwriter and Bookrunner.</p>

**ANNEX B**  
**APPLICATION TO PURCHASE**

**[TO BE INSERTED]**

**COMMERCIAL PAPERS**

**DUE [●]**

**REGISTRY AND PAYING AGENCY AGREEMENT**

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**ALSONS CONSOLIDATED RESOURCES, INC.**

**AND**

**PHILIPPINE DEPOSITORY & TRUST CORP.**

# REGISTRY AND PAYING AGENCY AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This **Registry and Paying Agency Agreement** (the **Agreement**) is made between:

**ALSONS CONSOLIDATED RESOURCES, INC.**, a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with address ("**ACR**" or the "**Issuer**");

and

**PHILIPPINE DEPOSITORY & TRUST CORP.**, a corporation duly authorized to perform registry functions by appropriate authorities and organized and existing under and by virtue of laws of the Republic of the Philippines, with principal office at the 29<sup>th</sup> Floor, BDO Equitable Tower, Paseo de Roxas, Makati City (**PDTC** or the "**Registrar**" and in its capacity as the Paying Agent, the "**Paying Agent**").

## WITNESSETH:

- (a) The Issuer has been authorized by the Securities and Exchange Commission ("**SEC**") to offer up to ₱ 3,000,000,000.00 aggregate principal amount of commercial papers to be issued in one or more tranches, commercial papers due [●] (the "**CPs**" ) for public distribution and sale in the Philippines (the "**Offer**" or "**Offering**");
- (b) The Issuer will issue the CPs in scripless form and desires to appoint PDTC as registrar to maintain the electronic official registry or records of title to the CPs, record the initial issuance and subsequent transfers of the same as warranted, and perform such other duties as may be undertaken by PDTC as registrar under this Agreement, and PDTC has accepted said appointment under the terms and conditions hereinafter set forth; and
- (c) The Issuer desires to appoint PDTC as paying agent to handle the repayment of principal on the CPs paid by the Issuer to the eligible CP holders, and PDTC has accepted said appointment under the terms and conditions hereinafter set forth;

**NOW, THEREFORE**, for and in consideration of the foregoing and subject to the terms and conditions set forth below, the parties hereto agree as follows:

## Section 1 Definitions and Interpretation

- 1.1 Terms defined in the Terms and Conditions (as defined below), and which are made an integral part hereof attached as **Schedule 1**, shall have the same meaning when used in this Agreement, except where otherwise defined and where the context requires otherwise. In addition to the foregoing, the following terms shall have the following meaning:

**Agreement** means this Registry and Paying Agency Agreement, its attachments and schedules (when executed), as may be modified, amended, or supplemented as applicable from time to time.

**Anti-Money Laundering Laws of the Philippines** means Republic Act No. 9160, as amended by Republic Act No. 9194 and Republic Act No. 10167, and BSP Circular Nos. 251, 253, 279, 527, 564, 608, 612 and 706, and all other amendatory and implementing law, regulation, jurisprudence, notice or order of any Philippine governmental body relating thereto.

**Application to Purchase** means the application form to be completed by the prospective initial purchasers of the CPs and submitted to the Underwriter, in such form attached hereto as **Schedule 2** hereof, or electronically submitted through the e-Securities Issue Portal (“e-SIP”).

**BIR** means the Philippines Bureau of Internal Revenue.

**BSP** means Bangko Sentral ng Pilipinas.

**Business Day** means a day on which commercial banks are open for business in Makati City, Metro Manila.

**CP or Commercial Papers** means the commercial paper due [●] with a discount rate of [●], and an aggregate principal amount of ₱ [●], which shall be issued in connection with the Offer on Issue Date.

**CP holder** means a person who, at any relevant time, appears in the Registry as the registered owner of CPs.

**CP Discount Rate** means [●] percent per annum. The CP Discount Rate will be calculated on a true discount basis

**Cash Settlement Account** means an account designated by a CP holder with a Cash Settlement Bank into which shall be credited the principal, and other payments on the CPs.

**Cash Settlement Bank** means a bank licensed and authorized under the laws of the Philippines and designated by the CP holder as the bank with which the CP holder's Cash Settlement Account is maintained, such designation to be made in accordance with the procedures of the Paying Agent.

**Closed Period** means the periods during which the Registrar shall not register any transfer or assignment of the CPs, specifically the period of two (2) Business Days preceding the due date for the repayment of the principal amount of the CPs;

**Contracts** mean the Trust Agreement dated [●], the Registry and Paying Agency Agreement dated [●], and the Underwriting Agreement dated [●], the Master Certificate of Indebtedness, the Terms and Conditions, including amendments thereto.

**Depository Account** means a securities account opened and maintained by the CP holder, his custodian, or broker, as the case may be, with the PDTC.

**e-SIP** means the e-Securities Issue Portal established and maintained by the PDTC.

**Event of Default** means an event specified as such under Section 7 hereof.

**Final Sales Report** means the report from each Underwriter detailing the Applications to Purchase covering the CPs approved and accepted for purchase during the Offer Period.

**Group** means the Issuer, its subsidiaries, affiliates and entities controlled by the Issuer, taken as a whole, and each of them being a member of the Group.

**Issue** means the issuance of the CPs by the Issuer pursuant to the Terms and Conditions.

**Issue Date** means [●] or such other date as the Issuer may advise PDTC in writing.

**Issue Price** means one hundred percent (100%) of the aggregate nominal principal amount of the CPs.

**Master Certificate of Indebtedness** means the master form representing such amounts corresponding to the CPs.

**Maturity Date** means the date at which the CPs shall be redeemed by the Issuer by paying the principal amount thereof, and which date is [●] (YEARS & MONTHS) from the Issue Date. Unless previously redeemed or cancelled, the CP Maturity Date shall be on [●] or the next Business Day, if such date is not a Business Day. However, the Maturity Date of the CPs, for the purpose of the Issuer effecting repayment of the principal amount thereof, is subject to the following Business Day convention. Thus, if the Maturity Date is not a Business Day, principal repayment shall be made by the Issuer on the next succeeding Business Day, without adjustment to the amount of principal to be paid.

**Maturity Value** means the principal or Face Value of the CPs.

**Non-Trade Transactions** means transactions relating to the CPs under any of the following instances:

- a. Nomination or change of nominated custodian by the beneficial owner of the CPs;
- b. Succession, provided that the heirs and successors-in-interest present a court order of partition or deed of extrajudicial settlement and the proper documentation

- evidencing the payment of applicable taxes and a certificate authorizing the transfer of the CPs from the BIR;
- c. Donation, provided that the donor presents a valid deed of donation and documents to evidence the payment of applicable taxes and a certificate authorizing the transfer of the CPs from the BIR;
- d. Request for recording or annotation of interests or liens on the CPs of any party arising from transactions such as, but not limited to, pledge or escrow, provided that the pledgor or the beneficiary of the escrow shall present a proper contract of pledge or escrow agreement; and
- e. Such other transactions that may be deemed valid and “free of payment” transactions by PDTC; *Provided* that such transfer is not in violation of any law or regulation or made in circumvention thereof; *Provided*, further that, the burden of proving the validity of a “free of payment” transaction rests with the transferor of the CPs.

**Offer** means the offer to the public for subscription of the CPs at the Issue Price.

**Offer Period** means the period when the CPs are offered for sale by the Issuer to the public, through the Underwriter, commencing at [●] a.m. on [●] and ending at [●] p.m. on [●] or such earlier or later day as may be determined by the Issuer and the Underwriter.

**Payment Account** means the account to be opened and maintained by the Paying Agent with such Payment Account Bank designated by the Issuer and solely managed by the Paying Agent, in trust and for the irrevocable benefit of the CP holders, into which the Issuer shall deposit the amount of principal payment due on the Outstanding CPs on a relevant date and exclusively used for such purpose, the beneficial ownership of which shall always remain with the CP holders.

**Payment Account Bank** means a duly-licensed bank designated by the Issuer (in such form prescribed by the Paying Agent, attached hereto as **Schedule 3** hereof), where the PDTC Payment Account will be opened, maintained, and managed by the Paying Agent for and on behalf of the Issuer, into which the Issuer shall deposit, in good cleared funds, the amount of principal payment due each CP holder on each relevant Payment Date.

**Payment Date** means “Maturity Date”, or the date on which payment for the principal in respect of the CPs becomes due.

**Payment Report** means the report to be submitted by the Paying Agent to the Issuer prepared under Section 2.9 of this Agreement.

**PDEX** means the Philippine Dealing & Exchange Corp., a domestic corporation duly registered with the SEC to operate an exchange and trading market for fixed income securities and a member of the Philippine Dealing System Group of Companies.

**PDEX Rules** means the PDEX Rules for the Fixed Income Securities Market, as amended, and as the same may be revised from time to time, as well as all other related rules, guidelines, and procedures that may be issued by PDEX.

**PDEX Trading Participant** means a trading participant of PDEX defined as such under its rules.

**PDSClear System** or **PDSClear** means the system operated by PDEX that enables settlement of a Trade Related Transaction via delivery versus payment.

**PDS Group** means the group of companies comprised of the Philippine Dealing System Holdings Corporation, which is the parent company of the group, and its operating subsidiaries, which are affiliates of PDTC, namely, PDEX, and the Philippine Securities Settlement Corp.

**Record Date** means as used with respect to any Payment Date, two (2) Business Days immediately preceding such relevant Payment Date, which shall be the cut-off date in determining the existing CP holders entitled to receive principal and other payments due, or such other date duly notified by the Issuer.

**Registry** means the electronic registry book of the Registrar containing the official information on the CP holders and the amount of CPs they respectively hold, including all transfers and assignments thereof or any liens or encumbrances thereon.

**Registry Account** means the account opened and maintained by the CP holders in the Registry.

**Registry Confirmation** means the written advice sent by the Registrar to the CP holders, confirming the registration in the name of such CP holder in the Registry of the specified amount of the CPs issued to or purchased by a CP holder, in the Registry. The Registry Confirmation is the Securities Receipt Confirmation attached hereto as Schedule 9.

**Registry Rules** mean the rules of the Registrar as may be amended from time to time.

**RTGS** means the Philippine Payment Settlement System via Real Time Gross Settlement that allows banks to effect electronic payment transfers which are interfaced directly to the automated accounting and settlement systems of the BSP.

**SEC** means the Securities and Exchange Commission of the Philippines and its successor agency/ies.

**Tax Exempt/Treaty Documents** means the following documentary requirements to be submitted by CP holders claiming exemption from any applicable tax as proof of its tax-exempt status to the Registrar:

- a. A current and valid BIR-certified true copy of the tax exemption certificate, ruling or opinion issued by the BIR;
- b. A duly notarized declaration (in the form attached hereto as **Schedule 4** hereof) warranting its tax-exempt status or entitlement to reduced treaty rates and undertaking to immediately notify the Issuer and the Registrar and Paying Agent of any suspension or revocation of its tax exemption or treaty privileges and agreeing to indemnify and hold the Issuer and Registrar and Paying Agent free and harmless against any claims, actions, suits and liabilities arising from the non-withholding or reduced withholding of the required tax; and

- c. If applicable, such other documentary requirements as may be reasonably required by the Issuer or the Registrar or Paying Agent, or as may be required under applicable regulations of the relevant taxing or other authorities.

**Terms and Conditions** mean the applicable terms and conditions of the CPs, which is attached as Schedule 1 hereto, and made an integral part of this Agreement.

**Trade Related Transactions** mean transactions on the CPs other than Non-Trade Transactions executed through PDEX (upon listing of the CPs).

**Underwriter** means Multinational Investment Bancorporation

- 1.2 **Interpretation.** All terms defined in this Agreement shall have their defined meanings when used in any certificate, report, or other document or instrument made or delivered pursuant hereto, unless the context requires otherwise. All Annexes, Schedules, or Attachments shall be considered integral parts of this Agreement. Titles of provisions in this Agreement and references herein to Sections, Subsections and Annexes are to sections and subsections of and annexes to this Agreement. Words importing gender include feminine, masculine, and neuter. Titles of provisions in this Agreement are used for convenience of reference only and do not limit or affect the interpretation of the provisions hereof. Any references to a person includes its permitted successors and permitted assigns and words denoting persons shall include individuals, corporations, partnerships, joint ventures, trusts, unincorporated organizations, political subdivisions, agencies, or instrumentalities. Any reference to "writing" or cognate expressions includes a reference to telex, cable, facsimile transmission, electronic mails, web-based uploads, or other electronic or teleprocess instruction system or comparable means of communications, and all consents and approvals to be obtained hereunder shall be understood to be required to be in writing. The words "include", "includes", and "including" are not limiting and shall be deemed to be followed by the words "without limitation", whether or not so followed. The words "hereof", "herein" and hereunder" and words of similar import when used in any document shall refer to such document as a whole and not to any particular provision of such document. Any reference to "days" shall mean calendar days, unless a descriptive word is used to qualify the term. A reference to a "year" or annum" shall mean a year of 360 days. Other than to a third party, references to "party", "parties" or "parties hereto" or similar references and references to "Section" or "Sections" are to be construed as references to a party or the parties to this Agreement and to a section or sections of this Agreement.

## Section 2 The Registrar

- 2.1 **Appointment of the Registrar.** The Issuer hereby appoints PDTC as the Registrar for the CPs, and PDTC accepts such appointment as Registrar, in accordance with the terms of this Agreement, and the Terms and Conditions.
- 2.2 **Responsibilities of the Registrar.** The Registrar shall be responsible for establishing and maintaining the Registry.
- 2.3 **Functions of the Registrar.** The Registrar shall have the following functions:
- 2.3.1 Establish, maintain, update, and, in accordance with the Terms and Conditions, close the Registry, which shall stand as the best evidence of ownership of, and transactions with respect to, the CPs;
  - 2.3.2 Open Registry Accounts for CP holders and record the issuance of the CPs in the Registry based solely on the Final Sales Reports submitted by the Underwriter to the Registrar. Where PDTC discovers any inconsistency between the Final Sales Report and the Application to Purchase submitted by the client subsequent to Issue Date, PDTC reserves the right to rely subsidiarily on the Applications to Purchase, to the extent that the information in the Final Sales Report is noted to be inconsistent with the Application to Purchase;
  - 2.3.3 Record or refuse to record, as appropriate, the secondary transfers of ownership over the CPs in the Registry, based solely on the instructions arising from Non-Trade Transactions and Trade Related Transactions including those effected in PDEX, should the CPs be listed in PDEX, subject to such restrictions on transfer as may be imposed for the CPs and the submission of all the documents required to support such transfers as required under the Terms and Conditions and the Registry Rules, including, without limitation, the Trade-Related Transfer Form and Non-Trade Related Transfer Form, substantially in the forms of **Schedule 5** and **Schedule 6** hereof, respectively; the written consent of the transferee CP holder, substantially in the form of **Schedule 7** hereof; and the **Investor Registration Form** substantially in the form of **Schedule 8** hereof;
  - 2.3.4 Issue a Registry Confirmation (substantially in the form attached as **Schedule 9** hereof) to the CP holders, within seven (7) Business Days from Issue Date, in the case of the initial issuance of the CPs, and to the relevant transferees, within five (5) Business Days from date of transfer, in the case of transfers of the CPs in the secondary market;
  - 2.3.5 Prepare and transmit to the requesting party the information on the CP holders as reflected in the relevant Registry Account, upon the written request (and at the expense) of the Issuer or PDEX (as applicable), and subject to applicable laws on disclosure of information or pursuant to or in compliance with any court orders or administrative orders or such orders issued by applicable regulatory agencies;
  - 2.3.6 Receive and safely keep a certified true copy of the duly executed Master Certificate of Indebtedness (the original copy of which shall be kept by the Trustee, [●], in such form attached hereto as **Schedule 1-A** hereof), the pertinent

documents of the CP holders, including duly authenticated signature cards and authorization documents of the CP holders, and such other pertinent documents related to the CPs that may be required in connection with its registry functions or where so required by the Issuer;

- 2.3.7 Compute for the amount of Maturity Value payable to each CP holder, including payments arising from the exercise by the Issuer of its Redemption Option, if any, and the applicable tax, if any, to be withheld from the affected CP holder;
- 2.3.8 Prepare and transmit to the CP holders statements of account at the Issuer's expense;
- 2.3.9 Monitor compliance with any restrictions on transfers as set out in this Agreement; and
- 2.3.10 Perform such obligations as may be imposed upon it as such Registrar under this Agreement.

## 2.4 **The Registrar and the Primary Issuance of the CPs.**

- 2.4.1 **Form of the CPs.** The CPs will be issued in accordance with the terms of this Agreement, the Trust Agreement and the Terms and Conditions. The CPs shall be in scripless form and, subject to the payment of fees to the Registrar, registered and lodged with the Registrar in the name of the CP holders. Once lodged, the CPs shall be eligible for electronic transfer in the Registry, without the issuance or cancellation of certificates. Legal title to the CPs shall be shown in the Registry, which shall be the official registry and best evidence of ownership and all other information regarding ownership of the CPs.
- 2.4.2 At least two (2) Business Days prior to the commencement of the Offer Period, and in accordance with the Registry Rules, the Issuer shall submit to the Registrar such documents as shall be required to set up the CPs in the Registry, in the form prescribed by the Registrar or to the satisfaction of the Registrar, the list of which documents is attached hereto as **Schedule 10** hereof. The Issuer acknowledges that the procedures and timelines provided in this Agreement may be delayed should the Issuer fail to timely submit the required documents or information to set up the CPs in the Registry. In such a case and provided the Registrar is not guilty of any contributory negligence, the Registrar shall be held free and harmless for such delays. Should the Issuer submit the requirements through another party, the Issuer shall inform the Registrar in writing thereof and hereby and thereby warrants, undertakes and represents that (a) such other party delivers such documents under valid and subsisting authority from the Issuer, (b) such delivered documents are the same as those that would have been delivered by the Issuer were it to directly submit the same, and (c) the Registrar is entitled to rely solely on such delivered documents as the basis for setting-up and creating the Registry for the CPs.
- 2.4.3 No later than 9:00 a.m. at least three (3) Business Days prior to the Issue Date, the Issuer shall deliver or cause to be delivered to the Registrar, a report detailing the final issue size, the total amount of the CPs for purchase and the allocations of CPs to the Underwriter. No later than 5:00 p.m. at least three (3) Business Days

prior to the Issue Date and in accordance with the Registry Rules, the Issuer shall deliver or cause to be delivered through its Underwriter the following documents, in such forms and mode of transmittal as prescribed by the Registrar, and as are necessary to determine proper allocations of the Underwriters involved and to create Registry Accounts for CP holders in the Registry:

- 2.4.3.1 Two (2) certified Final Sales Report: (a) one for tax-exempt accounts; and (b) another one for taxable accounts, from the Underwriter, both reports in electronic and written form, detailing the purchases of the CPs by the CP holders;
- 2.4.3.2 The Registrar's copy of each completed Application to Purchase of the CPs accepted by the Issuer, and the other documentary requirements received by them;
- 2.4.3.3 Where applicable, the BIR-certified Tax Exempt/Treaty Documents for the relevant CP holders;
- 2.4.3.4 In case of a non-PDS registered Cash Settlement Bank, duly executed Cash Settlement Bank Designation, in the form attached herewith as **Schedule 11**; and
- 2.4.3.5 Other documents as may be reasonably required by the Registrar.

However, if the e-SIP shall be used for the Offer, the documents in 2.4.3.1 to 2.4.3.5, where appropriate, can be submitted by the Selling Agents using the e-SIP facility no later than 9:00 a.m., one (1) Business Day before the Issue Date.

The Registrar shall register in its Registry on Issue Date the amount of the CPs held by each accepted applicant and the information needed to create the Registry Account based solely on the certified Final Sales Reports from the Underwriter.

- 2.4.4 Notwithstanding the submission to the Registrar of the Final Sales Report and the reliance by the Registrar on the same to create the Registry Account, the Registrar reserves the right to verify or ensure the accuracy of any entry in the Registry. Further hereto, the Registrar commits to upload to, and accurately reflect in the Registry only the data and information contained in such Final Sales Report.
- 2.4.5 The Issuer's appointed agents shall be solely responsible for ensuring the accuracy of information regarding, as well as the completeness of the documents relating to, the CP holders which are submitted to the Registrar. The Registrar shall not be held liable for delays in the delivery of required documents as well as issuance of Registry Confirmations to CP holders as a result of incomplete and/or late submissions by the Issuer's appointed agents of the required documents. Any costs, expenses or damages incurred or suffered to be paid by the Registrar as a result of such delays or inaccuracies shall be borne by the Issuer-appointed agent involved.
- 2.4.6 The Underwriter shall be given five (5) Business Days after Issue Date to remedy or cure any documentation deficiency as stated in the Final Sales Report. The Registrar will not issue a Registry Confirmation to the CP holder pending completion of documentation. In addition, such CP holder will not be allowed to sell or transfer his securities until such deficient document/s has been remedied.

However, should the e-SIP be used for the Offer, once endorsed by the Underwriter, the Registrar shall automatically issue a Registry Confirmation to the CP holder.

2.4.7 Notwithstanding the preceding section, the Registrar is hereby authorized to allow correction of data in the Registry, not later than 12:00 noon, one (1) Business Day before the Issue Date only under the following instances:

- 2.4.7.1 Any change to correct information provided in the Final Sales Report to make it consistent with the Application to Purchase prior to Issue Date; or
- 2.4.7.2 Substitution of CP holders in the Final Sales Report submitted by the Underwriter; *Provided*, that the following conditions concur:
  - (a) Complete documentation relating to the substitute CP holder is submitted to the Registrar;
  - (b) The substitution of any CP holder shall not prevent timely final entries into the Registry; and
  - (c) The substitution will not result in an increased number of Applications to Purchase as reflected in the Final Sales Report nor number of Registry Accounts.

This section shall not apply in case the e-SIP is used for the Offer.

2.4.8 Any subsequent change to the information once recorded by the Registrar in its Registry on Issue Date shall require the written authorization of the CP holder, unless the change is to correct information provided in the Final Sales Report to make it consistent with the Application. In case the change is to correct information provided in the Final Sales Report to make it consistent with the Application to Purchase, the Registrar shall charge the relevant Underwriter a fee equivalent to One Hundred Pesos (P100.00) for every account that requires a subsequent change.

2.4.9 On Issue Date, the Registrar shall reflect the ownership of the CPs, as well as the relevant details concerning the CP holders, in the Registry as warranted under the Final Sales Reports submitted to it by the Underwriter in accordance with the Registry Rules and prescribed forms. Any subsequent change to such information, other than a change in ownership of the CPs, as recorded by the Registrar shall require the written authorization of the CP holders duly endorsed by the Underwriter. For purposes hereof, the Registrar shall be entitled to rely solely on the Final Sales Reports submitted by the Underwriter to the Registrar.

2.4.10 Where PDTC discovers, after Issue Date, any inconsistency between the Final Sales Report and the Application to Purchase submitted by the CP holder, PDTC reserves the right to rely subsidiarily on the Applications to Purchase, to the extent that the information in the Final Sales Report is noted to be inconsistent with the Application to Purchase. All such changes in the entries after Issue Date, shall

require an affidavit of correction from the Underwriter attesting to the propriety of such change and payment by the Underwriter of a fee amounting to One Hundred Pesos (P100.00) or as the same may be updated from time to time, for each account requiring changes to the entries. This section shall not apply in case the e-SIP is used for the Offer, and instead, the operational guidelines & procedures for the use of e-SIP shall govern

- 2.4.11 The Registrar may require submission or completion of additional documents to update the records of a CP holder after the Issue Date for purposes of compliance with the provisions of the Anti-Money Laundering Laws of the Philippines (“**AMLA**”), or other relevant laws or regulations. The parties acknowledge that the Registrar is not required to exhaust all possible actions to resolve any deficiency and/or inconsistency and shall not be held liable for any failure to so act or for the failure of the Underwriter to notify the Registrar of such deficiency and/or inconsistency, unless such failure to act is due to the gross negligence or fraud on the part of the Registrar.
- 2.4.12 After Issue Date, the Registrar shall release: (i) to the Issuer, the final list of all CP holders recorded as such in the Registry, containing the names, addresses and account details of the CP holders to whom CPs have been issued on the Issue Date, the amount of the CPs held by them, the Cash Settlement Account numbers where payment to them shall be credited and such other information as may be agreed upon between the Registrar and the Issuer, which release shall in any case be made no later than one (1) Business Day after Issue Date, and (ii) to each CP holder, a Registry Confirmation confirming the principal amount of the CPs held by such CP holder, in the mode specified in the Final Sales Report, at the Issuer's expense, which release shall in any case be made no later than seven (7) Business Days after Issue Date provided that the Registrar will not issue a Registry Confirmation to a CP holder whose documentation is pending completion and such CP holder will not be allowed to sell or transfer his securities until such deficient document/s has been remedied. It is hereby understood that the Registrar shall not record in the Registry, or issue Registry Confirmations to, CP holders that would exceed the maximum amount of the Issue as authorized by the SEC.
- 2.4.13 A CP holder has twenty (20) calendar days from the date indicated in its Registry Confirmation to request PDTC for amendment, correction or completion of the relevant information in the relevant Registry. The CP holder shall within such period, request the Registrar, through the Underwriter, to amend entries in the Registry by issuing an Affidavit of Correction duly endorsed by his Underwriter. The Underwriter shall be responsible for informing the Registrar of the said corrections requested by the CP holder and shall solely coordinate with the Registrar for this purpose. The Registrar shall not in any way be obliged to coordinate directly with the CP holder. Any costs or expenses incurred by the Registrar as a result of such correction, if the same is due to the erroneous recording of the details of the CP holder in the Final Sales Report submitted by the Underwriter, shall be borne by the relevant Underwriter in accordance with the Registry Rules. Otherwise, such cost shall be borne by the CP holder.
- 2.4.14 On agreement with the Issuer, the Registrar shall likewise receive the duly executed Master Certificate of Indebtedness and reference the amount indicated

therein to maintain consistency with respect to the total amount recorded in the Registry.

2.5 *The Registrar and the Secondary Market for the CPs.* In the secondary market, the Registrar shall:

- 2.5.1 Effect transfers of the CPs, which transfers may only be made or, upon listing of the CPs in PDEX through a PDEX Trading Participant.
- 2.5.2 Record the ownership of CP holders consequent to secondary market transfers and Non-Trade Transactions in accordance with the Registry Rules and its requirements.
- 2.5.3 Issue Registry Confirmations to CP holders in accordance with the Registry Rules and its requirements. For purposes hereof, the Issuer hereby acknowledges that the Registrar shall comply with its obligations hereunder in the mode elected by the CP holder, which may include, among others, electronic mail to a designated account.
- 2.5.4 Where the CPs become listed on PDEX, all Trade Related Transactions must be coursed through PDEX in accordance with the PDEX Rules and conventions.
- 2.5.5 Notwithstanding Section 2.12, transfers that take place after the CPs are listed in PDEX between taxable and tax-exempt entities shall be allowed to be recorded in the Registry of CP holders without restriction and observing the tax exemption of tax-exempt entities, if and/or when so allowed under, and in accordance with the relevant rules, conventions and guidelines of PDEX and PDTC.
- 2.5.6 The Issuer hereby acknowledges that PDEX Trading Participants may engage in secondary market transfers on the CPs and be primarily and directly responsible for facilitating the necessary entries into the relevant Registry with respect to secondary market trades in which they are involved, by submission of such requirements prescribed by the Registrar.
- 2.5.7 The Registrar shall report to PDEX any breach of any prohibitions on the holdings or transfers of the CPs within twenty-four (24) hours from occurrence thereof, in accordance with the relevant PDEX rules.
- 2.5.8 The Issuer hereby acknowledges that transactions on the CPs after the primary issuance (secondary market trading and non-trade transactions) are subject to the standard trading, clearing, settlement, depository maintenance and transfer fees or capital gains taxes, as applicable.
- 2.5.9 The Issuer hereby acknowledges and accepts that secondary market trading and settlement of the CPs shall likewise be governed by applicable PDEX Rules and conventions.
- 2.5.10 For the efficient handling of CPs under the non-restricted trading and settlement environment, PDTC shall create such taxable and tax-exempt settlement accounts, as may be necessary to accurately reflect the movement in ownership of the CPs.

2.6 **PDEX Listing.** The Issuer undertakes to list the CPs for trading in PDEX within a reasonable period of time.

2.7 **e-Securities Issue Portal.** The Issuer shall have the option to register the issuance of the CPs online through the e-Securities Issue Portal (“e-SIP”) in lieu of the physical submission of documents prescribed in this Agreement; provided that the Issuer agrees to be bound by the Terms & Conditions for the Use of the e-SIP (the “Terms of Use”, a copy of which is attached as Annex B), Privacy Notice and other governing agreements. The Issuer shall designate the Arrangers (if any), Underwriters/Selling Agents, and such other stakeholders for registration into the Portal for the primary issuance of the CP and cause them and their authorized users to accede to the Terms of Use in the manner and form prescribed by PDTC. For the avoidance of doubt, the turnaround times, delivery dates, and specific documents prescribed in this Agreement shall not be altered and shall still be observed in the use of the e-SIP.

In case of inconsistencies between the Terms of Use attached as **Schedule 13** of this Agreement, and the provisions under Section 8.3 of this Agreement covering PDTC’s Scope of Responsibility and Limitation of Liability, the latter shall govern, provided that the issue of liability does not arise from the use of the e-SIP.

2.8 **Tax-Exempt Accounts.** The Registrar shall allow the opening and maintenance of tax-exempt Registry Accounts upon submission of the Tax Exempt/Treaty Documents in accordance with the Terms and Conditions and such other documents as may be required by the Issuer and the Registrar. Such Registry Accounts shall be operated and maintained in accordance with the Registry Rules. Unless properly provided with satisfactory proof of the tax-exempt status of a CP holder, the Registrar and Paying Agent may assume that such CP holder is taxable and proceed to apply the tax due on the CPs. Notwithstanding the submission by the CP holder, or the receipt by the Issuer or any of its agents, of documentary proof of the tax-exempt status of a CP holder, the Issuer may, in its sole and reasonable discretion, determine that such CP holder is taxable and require the Registrar and Paying Agent to proceed to apply the tax due on the CPs. Any question on such determination shall be referred to the Issuer.

2.9 **Non-Trade Transactions.** The Registrar shall record transfers arising from Non-Trade Transactions only upon submission of all the documents required to support such transfers as required under the Registry Rules, including the submission of the Non-Trade Related Transfer Form.

2.8.1 The Registrar shall have the right to refuse recording of any Non-Trade Transaction should the requesting party fail to submit the required documents or where recording the same shall result in a violation of a law, rule or regulation.

2.8.2 The Transferee shall be required to open or maintain a Registry Account, in accordance with the Registry Rules.

2.8.3 Upon recording of the Non-Trade Transaction in the Registry, the Registrar shall issue a Registry Confirmation in the transferee’s name in accordance with the Registry Rules.

- 2.9 **The Payment Report.** No later than 4:00 p.m. on the day immediately succeeding each Record Date, the Registrar shall prepare and submit to the Issuer (in electronic or printed form) a report (a “**Payment Report**”), with the following information effective as of Record Date: (a) the names of the CP holders; (b) the amounts of principal payments held by each CP holder; (c) the tax status of each CP holder, if relevant or applicable; (d) the corresponding withholding tax to be withheld for each CP holder, if any; and (e) the total amount, net of any applicable withholding taxes, due to each of the CP holders on Payment Date.
- 2.10 **Other Similar Reports for Purposes of Payment by the Issuer.** For the purpose of effecting settlement of the Maturity Value (as the case may be) of the CPs due to each CP holder, the Registrar shall, no later than one (1) Business Day succeeding the Record Date for the Maturity Date, as the case may be, provide the Issuer the list of CP holders who are entitled to receive the Maturity Value on the Maturity Date, the amount of payment due to each such CP holder, the tax status of each CP holder, if relevant or applicable, the corresponding withholding tax to be withheld for each CP holder, if any, and the total amount, net of any applicable withholding taxes, due to each of the CP holders on Payment Date.
- 2.11 **Payment Instruction Report.** The Registrar shall, at or prior to 4:00 p.m., at least one (1) Business Day before each Payment Date, prepare and submit to the Issuer, and following Issuer’s confirmation, to the relevant Cash Settlement Bank of the CP holders, and the Paying Agent, a report or statement (the “**Payment Instruction Report**”), detailing the following:
- 2.11.1 the list of the CP holders who have appointed such Cash Settlement Bank and who are entitled to payment on the relevant Payment Date (the “Principals”);
  - 2.11.2 the total gross amounts falling due to each of their respective Principals on the Payment Date; and
  - 2.11.3 such other information relevant for the purposes.
- 2.12 **Restricted Transfers.** The Registrar shall not reflect any transfers in the relevant Registry accounts where the same are restricted transfers on the CPs as follows:
- 2.12.1 Transfers across Tax Categories shall not be allowed. For purposes hereof, “Tax Categories” refer to the four (4) final withholding tax categories covering, particularly, tax-exempt entities, 20% tax-withheld entities, 25% tax-withheld entities, and 30% tax-withheld entities. This restriction shall be in force until a Non-Restricted Trading & Settlement Environment for Corporate Securities is implemented.
  - 2.12.2 Transfers by CP holders with deficient documents.
  - 2.12.3 Transfers during a Closed Period.
  - 2.12.4 Except as otherwise contemplated under the Terms and Conditions, none of the CP holders shall have the right to require the Issuer to redeem and repay any or all of the CPs before the Maturity Date. Transfers of the CPs to a person other than the Issuer shall not constitute pretermination.

## **2.13 Recognition of PDTC Registry Rules**

2.13.1 The Issuer shall, through the Registrar, inform the CP holders of the Registry Rules. The Registrar shall furnish CP holders copies of the same together with the Registry Confirmation. Any amendment or supplement to the said Registry Rules shall be timely communicated by the Registrar to the CP holders.

2.13.2 By execution hereof, the Issuer acknowledges and undertakes that its CP holders shall be bound by the Registry Rules, as the same may be amended from time to time.

## **2.14 Instructions.**

2.14.1. The Registrar is authorized to act on any instructions given by the Issuer, the Underwriter, the Arranger, PDEX, PDEX Trading Participants or their authorized personnel by any of the following methods: (a) in writing; (b) by telegram, telex, facsimile, S.W.I.F.T., or other electronic or teleprocess instruction system acceptable to the Registrar (whether tested or untested); or (c) any other methods agreed to by the Registrar.

2.14.2. The Registrar may rely, without any liability on its part, upon any instructions or documents (or the signature thereon and including a facsimile subject to certain limitations) believed by it in good faith to be given by the Issuer, Underwriter or PDEX, PDEX Trading Participants or their authorized personnel, or to be genuine, provided, however, that the Registrar is not guilty of fraud, evident bad faith, gross negligence or willful misconduct. The Registrar shall have no responsibility for any losses or liabilities whatsoever should such instructions or documents (or the signature thereon) turn out to be unauthorized, erroneous, or fraudulent provided, that the Registrar (including its officers and employees) is not guilty of gross negligence or willful misconduct in its reliance on the said instructions or documents.

2.14.3. Instructions shall continue in full force and effect until cancelled or superseded.

2.14.4. The Registrar may, without any liability, refuse to execute any instruction if, in its opinion: (a) there are reasonable grounds for believing that the instruction or liabilities arising from the execution of such instruction may not be adequately covered by the relevant CPs and/or funds; (b) personal liabilities may be incurred by it pursuant to such instruction; (c) satisfactory arrangement for the settlement of any outstanding issue hereunder has not been made; or (d) the instruction may be unauthorized or fraudulent. If any instructions are, in the Registrar's opinion, conflicting and/or ambiguous, the Registrar may, without any liability on its part, refuse to execute such instructions until such conflict or ambiguity has been resolved to its satisfaction. In any case, the Registrar shall coordinate with the Issuer, the Underwriter, the Arranger, PDEX, PDEX Trading Participants or their authorized personnel on its action regarding any instructions.

2.14.5. Instructions, the handling of CPs and/or payments thereon, and the provision of services hereunder shall be carried out subject to the applicable rules, laws, operating procedures, and market practice, if any, of any relevant securities

exchange, clearing house, sub-custodian, agents, depository, settlement system, market, or jurisdiction where they are to be executed. In this regard, the Registrar shall be entitled to execute any instructions in accordance with its normal market practice and operational procedures, insofar as it may consider these practicable and reasonable. The Registrar may further refuse to execute any instruction or accept any deposit if, in its opinion, such instruction is contrary to any applicable law, rule, or other regulatory requirement (including those arising from any governmental authority, self-regulatory organization, stock exchange, clearing house, depository, settlement system, or market) or the assets for deposit are not in good order. In any case, the Registrar shall coordinate with the Issuer, the Underwriter, the Arranger, PDEX, PDEX Trading Participants or their authorized personnel on its action regarding any instructions.

2.14.6. The Registrar shall be under no duty to assess the prudence or correctness of any instructions or to give advice in relation thereto, and may act on the instructions irrespective of their prudence or correctness.

2.15 ***Transactions Deemed Authorized.*** In the absence of contrary instructions and so long as the Registrar is prepared to provide the registry services enumerated below, the Registrar is authorized by the Issuer to carry out the following transactions at the Issuer's expense and at the Registrar's discretion relating to the CPs without requiring further instructions from the Issuer:

2.15.1 Complete and sign any affidavits, certificates of ownership, or other certificates relating to the CPs in connection with the Registrar's duties under this Agreement which may be required by the tax or any other regulatory authority;

2.15.2 Make cash disbursements or payments for any fees, taxes, duties, levies, expenses, and/or any payments incurred in connection with the Registrar's duties under this Agreement;

2.15.3 With written notice to the Issuer, use any reputable and competent party (including clearing systems, depositories, sub-custodians, outsourcing, or overseas data processing agents, and any member of the PDS Group) to perform and/or to assist or advise the Registrar in performing any of its services and duties under this Agreement. The Registrar may delegate to any such party any of its services or duties under this Agreement, Provided, that the Registrar shall use reasonable care to ensure that it uses only reputedly competent parties, and Provided, further, that the Registrar shall be responsible for the actions of any such party used by the Registrar; The requirement of a prior written notice herein shall not apply when the use of any reputable and competent party is in compliance with regulatory requirements in connection with this Agreement; and

2.15.4 Do all such acts as the Registrar may consider to be necessary or desirable for the above or in order to perform its duties under this Agreement (including any conversion of currency at the prevailing rate as reasonably determined by the Registrar where such conversion is necessary).

2.16 ***Segregation, Identification, and Registration.***

- 2.16.1 In accordance with the Registrar's Rules, the CPs may be maintained by the Registrar in an omnibus clients' securities account, and the Registrar warrants that it will not mingle its own assets with assets of other Registry account holders.
- 2.16.2 The CPs shall always be clearly identified in the Registrar's records as being held for the CP holders.
- 2.16.3 The Registrar's records relating to the CPs shall be open to inspection or audit at reasonable times (subject to prior written notice) by the auditors and representatives of the Issuer; Provided, that such inspection or audit shall not violate any applicable laws. The Registrar shall ensure that there are no unreasonable delays in allowing or implementing the inspection or audit by the representatives and auditors of the Issuer.

### **Section 3**

#### **Provisions Specific to the Paying Agent**

- 3.1 ***Appointment as the Paying Agent.*** The Issuer hereby appoints PDTC as Paying Agent for the CPs, and PDTC accepts such appointment as Paying Agent in accordance with the terms of this Agreement.
- 3.2 ***Functions of the Paying Agent.*** The Paying Agent shall have the following functions:
- 3.2.1 perform the functions of a paying agent for the Maturity Value, when due, to the CP holders; and
- 3.2.2 open and maintain on behalf of the Issuer, the PDTC Payment Account with the Payment Account Bank designated by the Issuer, and act as its authorized signatory.

### **Section 4**

#### **Payments**

- 4.1 ***Designation of the Payment Account Bank by the Issuer.*** The Issuer shall designate a bank as its Payment Account Bank, subject to the concurrence of the Paying Agent who shall have the right to impose such reasonable requirements on the Payment Account Bank as shall be necessary to efficiently operationalize the Payment Account.
- 4.2 ***The Payment Account.*** As soon as practicable, the Paying Agent shall open with the Payment Account Bank, one Payment Account for the CPs. The Payment Account shall be operated solely and exclusively by the Paying Agent in accordance with this Agreement and payment of principal on the relevant Payment Date shall be made from such Payment Account. All transactions on the Payment Account shall be signed by the duly designated authorized signatories of the Paying Agent. All costs for opening, maintaining and operating the Payment Account shall be for the account of the Issuer.
- 4.2.1 The Issuer shall provide the necessary funds to cover the initial deposit and shall provide the minimum maintaining balance required by the Payment Account Bank, if so required.

- 4.2.2 The Payment Account shall be opened in the following names, "***PDTC as Paying Agent of NAME OF ISSUER FAO [•] CP holders Due [•]***". All the disbursements
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for principal payment to be effected out of the said Payment Account shall be signed by the duly designated authorized signatories of the Paying Agent.

- 4.2.3 The Issuer shall maintain the Payment Account while the CPs are Outstanding, and until six (6) months past the Maturity Date. Then, the Payment Account shall be closed by the Paying Agent and any balance remaining in such account shall be turned over to the Issuer which shall nevertheless continue to hold such balance in trust and for the irrevocable benefit of the CP holders with unclaimed principal payments. The Paying Agent's responsibility to effect payments to CP holders as provided for in this Agreement shall cease upon transfer of the funds to the Cash Settlement Banks nominated by the CP holders or the return of the balance to the Issuer upon closure of the Payment Account.
- 4.3 **Payment to the Paying Agent.** The Issuer shall, at or prior to 9:30 a.m. on Payment Date and on the basis of the Payment Report submitted by the Registrar as provided in Section 5.3.1 hereof, transfer to the Paying Agent via on us check deposit into the relevant Payment Account such amount as may be required for the purposes of such payment.
- 4.4 **Payment Administration After Receipt of Full Payment from the Issuer on Payment Date.** Payment administration by the Paying Agent shall be effected in accordance with the Registry Rules.
- 4.4.1 The Paying Agent shall pay, or cause to be paid, on behalf of the Issuer on or before 12:00 noon on the Payment Date the total amounts due in respect of the CPs through a direct credit (via RTGS) of the proper amounts, net of taxes and fees (if any) to the Cash Settlement Banks of the CP holders, for onward remittance to the relevant Cash Settlement Account of the CP holders with the Cash Settlement Bank no later than 3:00 p.m. on the Payment Date.
- 4.4.2 The Paying Agent shall generate and send to each CP holder, a credit advice (in the mode elected by such CP holder either through electronic mail, registered mail as indicated in the Final Sales Report submitted by the Underwriter) of payments credited to their account. The cost of mailing and other related costs in the distribution of the advice shall be for the account of the Issuer.
- 4.4.3 The Paying Agent shall also send an email to the Issuer, copy furnish [●] (the "Trustee"), that all principal payments due on the CPs have been paid by Issuer and remitted by the Paying Agent to the CP holders.
- 4.5 **Receipt of Insufficient Payment from the Issuer.** In the event that the Issuer fails to timely remit any part of the amounts due to the CP holders on Maturity Date, the Issuer shall so inform the CP holders (and in any case within two (2) Business Days from the relevant Maturity Date). If only part of the amount payable in respect of the CPs is paid (except as a result of a deduction of tax permitted by the Terms and Conditions), any amount delivered to the Paying Agent as aforesaid shall be distributed by the Paying Agent proportionately to the CP holders towards the satisfaction of the amount due on the CPs on such Payment Date, without prejudice to any right or remedy that a CP holder may have against the Issuer. Unless and until the payment due or owing to the CP holders has been made to the Paying Agent by the Issuer, the Paying Agent will not be bound to make any such payment or advance any sums using its own funds to the CP holders.

- 4.6 ***Non-Receipt of Payment from the Issuer or Late Payment by the Issuer.*** The Issuer shall forthwith notify the Paying Agent and its CP holders of the fact that payment of the amount due and payable under the Outstanding CPs by the time specified in Section 4.3 above shall be delayed. If the Paying Agent, however, receives the full amount payable on a later date, it will forthwith (and in any case within two (2) Business Days from the date of receipt) make such payments in respect of the CPs in accordance with this Agreement.
- 4.7 ***CP holders' Cash Settlement Accounts.*** The Issuer acknowledges that each CP holder shall designate and maintain a cash account with a Cash Settlement Bank where the principal payment due to the CP holder shall be credited. A list of PDS-registered Cash Settlement Banks shall be provided to the Issuer and Underwriter prior to the start of the Offer Period. The Issuer acknowledges that the Paying Agent is constrained by legal requirements from being able to validate the existence of Cash Settlement Accounts of CP holders and hereby commits that its appointed agents shall conduct the validation procedures necessary to ensure the validity of such Cash Settlement Accounts. The Issuer further acknowledges that the failure of its appointed agents to conduct these procedures may result in delays or errors in the distribution of payments to CP holders. In these cases, the Paying Agent shall be indemnified and held free and harmless from any and all costs, expenses, and damages that it may incur or suffer to incur by reason of the inaccuracies in CP holders' Cash Settlement Accounts and consequent failure to receive amounts due on the CPs, or delays therein.
- 4.8 ***Withholding or Deduction.*** If the Issuer is, in respect of any payment for the CPs, compelled to withhold or deduct any amount for or on account of any taxes, duties, assessments or governmental charges as contemplated by the Terms and Conditions, the Issuer shall give notice to the Registrar as soon as it becomes aware of the requirement to make the withholding or deduction and shall give to the Registrar such information as the Registrar shall require to enable it to reflect such requirement in the Payment Report indicated under Section 2.9. Notwithstanding the submission of documentary proof of the tax-exempt status of a CP holder, the Issuer may, in its sole and reasonable discretion, determine that such CP holder is taxable and require the Registrar and Paying Agent to proceed to apply the tax due on the CPs. Any question on such determination shall be referred to the Issuer.
- 4.9 ***Repayment.*** If claims in respect of any principal become void under the Terms and Conditions, the Paying Agent shall forthwith return to the Issuer the amount which would have been due if presentation for payment had been made before such claims became void. The Paying Agent shall not, however, be otherwise required or entitled to return any sums received by it under this Agreement.

## **Section 5 Records and Reports**

- 5.1 ***Records.*** The Registrar shall maintain the Registry and other pertinent records relating to the CPs, all of which shall be available for inspection by the Issuer during normal business hours, subject to prior written notice to the Registrar and provided that such inspection shall be reasonable and not violate applicable laws. The Registrar may, at its option, make copies of the documents received from the Underwriter. The Registrar shall verify the identification and signature of the CP holders against the identification documents or the digital copies thereof in its possession, in relation to any request for change of information regarding the CP holder or instructions in relation to the secondary trading of the CPs.

The Issuer is aware of and confirms that the digitalization of the documents shall result only in two-dimensional copies thereof and the Registrar shall not be required to verify beyond the features or information captured by such two-dimensional digital copy.

- 5.2 **Records Retention.** While the CPs are still outstanding, PDTC shall safe keep hard copies of relevant records such as but not limited to the documents referred in Section 2.4.3.1 to 2.4.3.5 and 2.5.2 and 2.5.3 of the RPAA. No later than six (6) months after the Maturity Date, PDTC shall turnover to the Issuer such physical copies of the documents that are subject of this section. The Issuer hereby acknowledges that PDTC shall maintain electronic copies of the said documents solely for the purpose of its compliance with the relevant laws and regulations on document retention.
- 5.3 **PDEX.** Should the CPs be listed on the PDEX, transactions executed on the PDEX Trading System shall be traded and settled in accordance with the relevant rules of PDEX.
- 5.4 **Reports.** The Registrar or Paying Agent, as the case may be, shall prepare the following reports and submit to the appropriate party or parties as follows:
- 5.4.1 the Payment Report referred to in Section 2.9, which shall be made by the Registrar and submitted to the Issuer at or prior to 4:00 p.m. one (1) Business Day after every Record Date;
- 5.4.2 the Payment Instruction Report referred to in Section 2.11, which shall be made by the Registrar and submitted to the Issuer, Cash Settlement Banks, and Paying Agent at or prior to 4:00 p.m. at least one (1) Business Day before the Payment Date;
- 5.4.3 a statement of the amount of CPs outstanding in the name of a CP holder, which shall be prepared by the Registrar and released to each relevant CP holder no later than twenty (20) Business Days from the end of each quarter; and
- 5.4.4 such other transaction advice, statements or reports as stated in this Agreement and as may be reasonably required by the Issuer.
- 5.5 **Conclusiveness of Reports.** All of the reports, transaction advice or statements referred to in Section 5.3 shall, save in the case of manifest error or fraud, be final and binding on the Issuer or the CP holder. The Issuer and/or the CP holder shall examine such reports, transaction advice or statements and promptly (and in no case more than thirty (30) calendar days from receipt thereof) notify the Registrar and Paying Agent in writing of any error and they shall together resolve to correct such error promptly (and in no case more than five (5) Business Days from receipt of the notice by the Registrar and Paying Agent), failing which such transaction advice, statement or report shall be conclusive against the Issuer or the CP holder, as the case may be.

## **Section 6**

### **Representations and Warranties**

- 6.1 **The Issuer's Representations and Warranties.** In addition to the representations and warranties of the Issuer under the Terms and Conditions of the CPs which it reiterates in this Agreement *mutatis mutandis*, the Issuer further represents and warrants that:

- 6.1.1 it (and, if applicable, any person on whose behalf it may act as agent or in a representative capacity) has and shall continue to have full capacity and authority to enter into this Agreement and to carry out the transactions contemplated in this Agreement, and has taken and shall continue to take all action (including the obtaining of all necessary corporate approvals and governmental consents) to authorize the execution, delivery and performance of this Agreement;
- 6.1.2 the terms of this Agreement as well as compliance with such terms do not constitute a breach of any obligations by which it is bound whether arising by its charter documents, any contract, or operation of law;
- 6.1.3 it shall execute and deliver such documents and perform such further acts as the other party may reasonably require in relation to this Agreement;
- 6.1.4 It shall fully, timely, and unconditionally comply with all items imposed under the laws, relevant rules and regulations;
- 6.1.5 It has obtained the required regulatory approvals to issue the CPs which approval has not been revoked, qualified, or restricted, and shall fully, timely, and unconditionally comply with all other terms and conditions imposed by the appropriate regulatory authorities regarding the issuance of the CPs while any portion of the CPs remains outstanding;
- 6.1.6 it shall, on the Issue Date, execute a Master Certificate of Indebtedness and deliver a certified true copy to the Registrar and Paying Agent;
- 6.1.7 it shall, when so requested in writing, provide any and all information reasonably needed by the Registrar and/or Paying Agent to enable them to respectively comply with their respective responsibilities and duties; *Provided*, that, in the event that the Issuer cannot, for any reason, provide the required information, the Issuer shall immediately advise the party requesting the same and shall perform such acts as may be necessary to provide for alternative information gathering.

These representations and warranties are true and correct as of the date hereof and be deemed repeated on Issue Date and shall remain true and correct as long as the CPs remain outstanding.

- 6.2 ***The Registrar's and Paying Agent's Representations and Warranties.*** PDTC, as Registrar and/or Paying Agent, represents and warrants that it is duly licensed by the SEC and qualified by the Monetary Board to act and perform the responsibilities of a Registrar and/or Paying Agent, and that its representation and warranty herein shall remain true and correct for the period of the subsistence of this Agreement. Furthermore:

- 6.2.1 It is a third party that has no subsidiary or affiliate or any other relationship with the Issuer that would undermine its independence;
- 6.2.3 It has adequate facilities, attributes, and organization required of a registrar and paying agent.

## Section 7

## Events of Default

7.1 **Events of Default.** The Issuer shall be considered in default under the CPs in case any of the following events shall occur:

- 7.1.1 it fails to pay any principal due on the CPs;
- 7.1.2 any of its representations and warranties or any certificate or opinion submitted by it in connection with the issuance of the CPs is untrue, incorrect, or misleading in any material respect;
- 7.1.3 it fails to perform or violates its other covenants under the Terms and Conditions (other than the payment obligation under Section 7.1.1 above) or the Contracts and such failure or violation is not remediable or, if remediable, continues to be unremedied for a period of thirty (30) calendar days from written notice to the Issuer;
- 7.1.4 it violates any term or condition of any contract executed by it with any other bank, financial institution, or other person, corporation, or entity in respect of borrowed moneys in an aggregate amount exceeding Pesos: [●] (Php[●]) or its equivalent; or, in general, it violates any contract, law, or regulation which (i) if remediable, is not remedied by it within ten (10) calendar days from such failure; (ii) results in the acceleration or declaration of the whole financial obligation to be due and payable prior to the stated normal date of maturity, or (iii) will adversely and materially affect the performance by the Issuer of its obligations under the CPs;
- 7.1.5 any final and executory judgment, decree, or arbitral award for the sum of money, damages, fine, or penalty in excess of Pesos: Five Hundred Million (Php500,000,000.00) or its equivalent in any other currency is entered against the Issuer and the enforcement of which is not stayed, and is not paid, discharged, or duly CPed within thirty (30) calendar days after the date when payment of such judgment, decree, or award is due under the applicable law or agreement;
- 7.1.6 any judgment, writ, warrant of attachment or execution, or similar process shall be issued or levied against all or substantially all of the Issuer's assets and such judgment, writ, warrant, or similar process shall not be released, vacated, or fully CPed within thirty (30) calendar days after its issue or levy;
- 7.1.7 it voluntarily suspends or ceases operations of a substantial portion of its business for a continuous period of thirty (30) calendar days, except in the case of strikes or lockouts when necessary to prevent business losses, or when due to fortuitous events or *force majeure*; or
- 7.1.8 it becomes insolvent or is unable to pay its debts when due or commits or permits any act of bankruptcy, including: (i) filing of a petition in any bankruptcy, reorganization, winding-up, suspension of payment, liquidation, or other analogous proceeding; (ii) the appointment of a trustee or receiver over all or a substantial portion over its properties; (iii) making of an assignment for the benefit of its creditors over all or substantially all of its properties; (iv) admission in writing of its inability to pay its debts; or (v) entry of any order or judgment of any court, tribunal, or administrative agency or body confirming the insolvency of the Issuer, or

approving any reorganization, winding-up, liquidation, or appointment of trustee or receiver of the Issuer or a substantial portion of its property or assets.

## **Section 8**

### **Indemnities, Fees, and Expenses**

8.1 ***Indemnification of the Issuer.*** PDTC agrees to indemnify and hold the Issuer, its stockholders, directors, officers, employees, and agents free and harmless from all losses, claims, damages, liabilities, and expenses, including attorney's fees, or actions with respect to, arising out of, or by virtue of the failure of PDTC as Registrar and/or Paying Agent, to comply with any of its undertakings, covenants, or other obligations herein; *provided that*, PDTC shall not indemnify the Issuer for such losses or actions arising out of or attributable to the gross negligence or willful misconduct of the Issuer. The foregoing shall be without prejudice to the right of the Issuer to pursue all available remedies for the breach by PDTC of its obligations under this Agreement.

8.2 ***Indemnification of PDTC.*** In addition to other indemnities provided elsewhere in this Agreement, the Issuer agrees to indemnify PDTC, and to hold PDTC free and harmless against all charges, costs, damages, losses, claims, liabilities, expenses, fees, and disbursements (together with any value-added tax or similar tax imposed from time to time), that PDTC may suffer or incur howsoever in connection with or arising from this Agreement, including the Issuer's position with respect to the taxability or non-taxability of the interest income on the CPs and on any transfer or negotiation of the CPs within five (5) years after Issue Date, as well as on the necessity and timing of obtaining a confirmatory ruling from the relevant tax authorities on the matter; *provided*, that this provision shall not be available to the Registrar if the liabilities for which it is seeking indemnity arise from its own gross negligence or willful misconduct.

PDTC shall also be protected and shall incur no liability (and the Issuer undertakes to indemnify PDTC against any such liability) for or in respect of any action taken or omitted to be taken or anything suffered by it in reliance upon any notice, direction, consent, certificate, affidavit, statement or other document, or any telephone or other oral communication, relating to its duties hereunder reasonably believed to be genuine and correct and to have been delivered, signed, sent, sworn or made by or on behalf of the Issuer.

8.3 ***PDTC's Scope of Responsibility and Limitation of Liability***

8.3.1 In the performance of its obligations under this Agreement, PDTC shall exercise such judgment and care under the circumstances then prevailing that persons of prudence, discretion, intelligence, and familiarity with such matters exercise in the management of their own affairs. In addition, PDTC shall not be held liable for any of its act or omission unless: (a) such act or omission was committed with fraud, evident bad faith, gross negligence, willful omission; or (b) it failed to exercise the skill, care, prudence, and/or diligence required by law under the circumstances. PDTC shall not be liable for any consequential or indirect loss. The Issuer shall promptly inform PDTC in writing of any loss or damage and shall, when possible, take steps to mitigate such loss or damage. PDTC's liability as herein provided for shall be limited only to that proportion of loss or damage

suffered by the Issuer as determined by a court of competent jurisdiction to be attributable to PDTC.

- 8.3.2 PDTC is entitled at its discretion (but shall not have the obligation) to reverse incorrect credit entries to any accounts (including such an instance where an entry was made in anticipation of receipt of funds/assets that were not delivered), provided that prior written notice thereof shall be given to the Issuer.
- 8.3.3 Upon receipt of each transaction advice, statement of account, or report supplied to it by PDTC, the Issuer shall examine the same and promptly notify PDTC of any error in writing and subject to observance of Section 5.4 hereof, failing which the entries in the relevant Registry shall be conclusive against the Issuer.
- 8.3.4 Unless there is contributory negligence or fault on the part of PDTC, it assumes no responsibility for any loss/liability owing to any reason or cause beyond its control, including nationalization, currency turmoil or restrictions, fire, acts of war, acts of God, acts of any authority whether de jure or de facto, requirements of/change in any laws or regulations, strikes or industrial action, acts of terrorism, failure of courier/delivery service, or acts or disruption of any relevant securities exchange, depository, clearing house, settlement system, or market, and loss or malfunction of utilities or computers (hardware and software). PDTC's liability as herein provided for shall be limited only to that proportion of loss or damage suffered by the Issuer as determined by a court of competent jurisdiction to be attributable to PDTC.
- 8.3.5 PDTC shall not be liable for statements, reports, files, and/or advice sent electronically to CP holders. CP holders who opt to receive such statements electronically shall be required to execute an indemnity clause in the Application to Purchase or Investor Registration Form to hold the PDTC free and harmless from any liability, loss, suit, or damage that may arise due to the electronic delivery of such statements.
- 8.3.6 PDTC shall not be liable for any negligence, default, failure or delay of any Underwriter, PDEX Trading Participant, depository, clearing system, securities registration body, or securities Registrar (or similar party), and any losses arising therefrom (including non-receipt of any payments from the Issuer).
- 8.3.7 Notwithstanding any assistance rendered by PDTC in connection with tax matters the Issuer shall be solely and ultimately responsible for determining the applicable tax rates to be applied to the issuance and sale of the CPs, reflecting the same in the relevant returns, preparing and filing all such tax returns, payments, reports, and other tax matters on any transactions undertaken pursuant to this Agreement that must be made on time to any relevant authority, whether governmental or otherwise.
- 8.3.8 PDTC shall not: (i) be responsible for monitoring if tax payment has been properly remitted by the relevant PDEX Trading Participant, and (ii) be required to request proof of said payment by the PDEX Trading Participant; and shall be held indemnified, free, and harmless from any claims, charges, and assessments from the foregoing.
- 8.3.9 The Issuer understands that regulatory authorities may require PDTC to furnish information concerning the ultimate beneficiaries of any account held by it. Upon PDTC forwarding any such regulatory authority's requirement to the Issuer, the Issuer shall furnish such information to PDTC for onward transmission or directly

to the relevant regulatory authority in accordance with the local laws. Any inaction or delay in the compliance of the Issuer with the requirement of regulatory authorities properly notified by PDTC shall free it from any harm and liability caused by such inaction.

- 8.3.10 Except as otherwise provided elsewhere in this Agreement, PDTC shall not have any duty to monitor the compliance by the Issuer or its customers/agents with any guideline or restriction imposed by the Issuer's charter documents or by any other document, law, or regulation including compliance with any investment restriction and any notification requirement relating to the Issuer's or its customers'/agents' beneficial ownership of securities.
- 8.3.11 The Issuer, Arranger, and the Underwriter in the case of the initial issuance of the CPs, and the PDEX Trading Participants, in the case of secondary trades on the CPs, shall be responsible for establishing the bona fide identity of each of the CP holders in accordance with the AMLA, as well as its own internal policies regarding "knowing your customer" and anti-money laundering. PDTC shall be entitled to rely on the strict performance by the Issuer, Arranger, and any of the Underwriter, and/or the PDEX Trading Participants, as the case may be, of their obligations under the AMLA. Nothing herein, however, shall be construed as preventing any of the parties from performing their own investigation in accordance with the AMLA and their own internal guidelines and standards.
- 8.3.12 No liability will be incurred by PDTC if, in the event of any dispute or question as to the scope of its functions and authority, it acts in accordance with the terms and conditions of this Agreement.
- 8.3.13 The Registrar and Paying Agent shall not be construed as acting as investment manager or investment adviser to the Issuer or any of the CP holders.
- 8.3.14 The Underwriter shall not be construed, deemed, or implied as acting as or agreeing to act as a Cash Settlement Bank as this term is defined, used, understood, or construed under any of the rules or regulations or memoranda of the PDS Groups, nor shall the Underwriter be construed, deemed, or implied to have agreed to be bound as a Cash Settlement Bank under such rules, regulations, or memoranda, unless it has otherwise applied for and been qualified as such by the PDS Group. For the avoidance of doubt, where the Underwriter has been nominated by the Issuer as Cash Settlement Banks under this Agreement, such appointment and designation is understood to be for purposes of this Agreement alone.
- 8.4 **Fees and Expenses.** The Issuer shall pay to the Registrar and Paying Agent from time to time (without any deduction except for the applicable creditable withholding tax or its statutory replacement) such fees/commission for its services pursuant to this Agreement as may be agreed in writing between the Registrar and the Paying Agent and the Issuer including such reasonable expenses, disbursements, and costs as may be incurred under this Agreement. All reasonable out-of-pocket expenses which are to be incurred by PDTC in connection with the preparation, execution, delivery, and performance of this Agreement, shall be for the account of the Issuer. If any applicable law requires a deduction, other than creditable withholding tax under Revenue Regulations No. 17-2003, to be made, the Issuer shall pay such further sum to the PDTC as Registrar and/or Paying

Agent so that it would ultimately receive an amount equal to that it would have received had no such deduction been made. PDTC shall issue the official receipts for payments made by Issuer only upon the submission by the Issuer of the Creditable Withholding Tax Certificate or such other proof of payment of the applicable taxes as mentioned above. The Issuer agrees to pay interest at the PDTC's prevailing rate on any sum owed but not paid by the Issuer on the due date of payment.

The Issuer hereby acknowledges the right of the Paying Agent and the Registrar to be reimbursed and paid out-of-pocket expenses that it may incur in the preparation of documents which the Trustee may request in connection with the performance of the Trustee of its duties under the Trust Agreement.

The PDTC may likewise impose such reasonable fees on the CP holders for the services that it shall perform for their benefit. Such fees are detailed in **Schedule 12** of this Agreement, and made an integral part hereof.

## **Section 9**

### **Notices to CP holders**

- 9.1 **Notice.** Notices required to be given by the Registrar or Paying Agent to the CP holders under this Agreement shall be made in accordance with the Terms and Conditions and the Registry Rules, as the same may be amended from time to time, at the expense of the Issuer.

## **Section 10**

### **Changes in Agents**

- 10.1 **Termination.** The Issuer may at any time appoint a new registrar or paying agent and/or terminate the appointment of the Registrar and Paying Agent by giving to the Registrar and Paying Agent at least thirty (30) Business Days prior written notice to that effect; *Provided that*, so long as any of the CPs are outstanding, the notice shall not expire less than forty five (45) Business Days before the Payment Date and notice shall be given to the CP holders at least thirty (30) Business Days before the termination of the appointment of the Registrar and Paying Agent.
- 10.2 **Resignation.** The Registrar and Paying Agent may resign its appointment at any time by giving the Issuer at least thirty (30) Business Days prior written notice to that effect; *Provided that*, so long as any of the CPs are outstanding, the notice shall not expire less than forty-five (45) Business Days before the Payment Date. Following receipt of a notice of resignation from the Registrar and Paying Agent, the Issuer shall promptly, and in any event not less than thirty (30) Business Days before the resignation takes effect, give notice to the CP holders.
- 10.3 **Change of Office.** If the Registrar and Paying Agent change the address of its specified office in a city, it shall give the Issuer and the CP holders at least thirty (30) calendar days notice of the change, giving the new address and the date on which, the change is to take effect.
- 10.4 **Delivery of records and turnover of amounts held.** If the Registrar and Paying Agent resigns or its appointment is terminated, it shall on the date on which the resignation or

termination takes effect pay to the new registrar and paying agent any amount held by it for payment in respect of the CPs and deliver to the new registrar and paying agent the Registry and all other records kept by it pursuant to this Agreement.

- 10.5 **Successor Corporations.** A corporation into which the Registrar and Paying Agent is merged or converted or with which it is consolidated or which results from a merger, conversion or consolidation to which it is a party shall, to the extent permitted by applicable law, be the successor agent under this Agreement without further formality. The Registrar and Paying Agent concerned shall forthwith notify such an event to the Issuer and the CP holders.

## **Section 11 General Provisions**

- 11.1 **Several and Joint Obligations.** The obligations of the Registrar and Paying Agent are several and not joint.
- 11.2 **No Implied Duties.** The Registrar and Paying Agent are hereby obligated to perform such duties as are specifically set forth in this Agreement or are incorporated into this Agreement by reference to the Terms and Conditions, and subject to the limitations herein, shall be responsible only for the performance of such duties and obligations as are specifically set forth in this Agreement, and no obligation or covenants shall be implied or read into this Agreement as against the Registrar and Paying Agent.
- 11.3 **No Agency or Trust.** In acting pursuant to this Agreement, the Registrar and Paying Agent shall have no obligation towards or relationship of agency or trust with any CP holders and need only perform the duties set out specifically in this Agreement and the Terms and Conditions and any duties necessarily incidental to them.
- 11.4 **Taking of Advice.** The Registrar and Paying Agent may consult on any legal matter with any legal adviser selected by it, who may also be an employee of or adviser to the Issuer and it shall not be liable in respect of anything done, or omitted to be done, in good faith relating to that matter in accordance with that adviser's opinion.
- 11.5 **Reliance on Documents etc.** The Registrar and Paying Agent shall not be liable in respect of anything done or suffered by it in reliance on any document reasonably believed by it to be genuine and to have been signed by the proper parties or on information or instructions to which it should properly have regarded and reasonably believed by it to be genuine and to have been originated by the proper parties.
- 11.6 **No liability for Interest.** The Paying Agent shall not be under any liability for interest on any moneys at any time received by it pursuant to any of the provisions of this Agreement or the Terms and Conditions and applied by it in accordance with provisions hereof, except as otherwise provided hereunder or agreed in writing.
- 11.7 **Compensation.** None of the provisions contained in this Agreement shall require the Registrar and Paying Agent to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers if there is a reasonable ground for believing that the repayment of such funds or liability is not reasonably assured to it under the terms of this Agreement.

- 11.8 **Other Relationships.** PDTC may become the owner or pledgee of the CPs with the same rights it would have if it were not the Registrar and Paying Agent, and may engage or be interested in any financial or other transaction with the Issuer or any of its affiliates, and may act on, or as depository, trustee or agent for any committee or body of holders of the CPs or other obligations of the Issuer, as freely as if it were not the Registrar and Paying Agent and need not account for any profit in relation thereto.
- 11.9 **Copies of this Agreement.** The Registrar shall, during regular business hours, provide a copy of this Agreement for inspection at its specified office by the CP holders upon their request.
- 11.10 **Liens, Encumbrances, Attachments or Garnishments.** The Registrar shall record and annotate in the Registry:
- 11.10.1 any voluntary liens or encumbrances constituted upon the CPs, upon its receipt of a written notice from the relevant creditor, together with the written acknowledgement from such CP holder of the same and documentary evidence of such voluntary liens or encumbrances such other documents as may be reasonably required by the Registrar; and
  - 11.10.2 any writ of attachment or garnishment issued by a court or quasi-judicial agency of competent jurisdiction against a CP holder and served upon the Registrar, either directly or through the Issuer.

Upon such recording and notation, the Registrar shall place on hold and shall not be obliged to record any transfer of the CPs the subject of such lien, encumbrance, attachment or garnishment unless or until: (a) in the case of voluntary liens or encumbrances, the obligations secured by such voluntary liens or encumbrances have been performed by the registered CP holder or the transferee CP holder agrees to take the CPs subject to the lien or encumbrance constituted thereon and in either case, upon written acknowledgement of the relevant creditor to the Registrar of the same; or (b) in the case of attachments or garnishment, the appropriate court or quasi-judicial agency orders the lifting of such attachment or garnishment, which order is served upon the Registry, either directly or through the Issuer.

The Issuer acknowledges that PDTC as the appointed Registrar and Paying Agent of the CPs shall treat attachment or garnishment orders issued by a court or quasi-judicial agency on a case-to-case basis. PDTC shall rely on the instructions of the Issuer with respect to the handling of the securities account upon the recording and notation of the attachment or garnishment, including the disbursement of the maturity cash proceeds pertaining to the attached or garnished securities account.

For the purpose of this section, when a securities account has been “Frozen”, no debit or credit of securities can be made into such securities account. When a securities account has been “Suspended”, however, no debit will be made but credit of securities are allowed to be made to the securities account.

11.12 **Good Faith Undertaking**

- 11.12.1 In implementing this Agreement and in discharging their respective duties and obligations hereunder, the parties agree to apply the standards of good faith and commercial loyalty, taking into consideration that the main purpose of this Agreement is to ensure the utmost cooperation among the parties and the success of the Offer and the trading of the CPs. Thus, the parties agree to perform all such acts and to execute and deliver such other documents or instruments as may be necessary (including amending and/or supplementing this Agreement) in order to give effect to the intent underlying the Offer and the trading of the CPs as to fully implement or consummate the transactions contemplated thereby.
- 11.12.2 Should there be new rules and regulations imposed by the relevant regulatory bodies, including a Self-Regulatory Organization (“**SRO**”), as defined in the Securities Regulation Code, or market conventions adopted and imposed by an SRO, or changes in the Registry System of the Registrar in compliance with the said rules and regulations or market conventions that would require the parties to this Agreement to perform or do certain acts in addition to what are contemplated or envisioned herein, the parties agree to comply with said regulations and/or conventions subject to the provisions of Section 6.1 above.

## **Section 12**

### **Miscellaneous**

- 12.1 **Assignment.** Neither party may terminate this Agreement, or assign or transfer all or any of its rights, benefits, and obligations hereunder without the consent of the other party.
- 12.2 **Ability to Consult Counsel.** PDTC may consult with legal counsel of its choice in connection with its duties under this Agreement and any opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or omitted to be taken by PDTC hereunder in good faith and in accordance with such opinion; Provided, that, prior to taking or not taking such action for which the opinion of counsel was sought, PDTC shall inform the Issuer of the relevant opinion of counsel. Any delay in the taking of action by PDTC, where the Issuer shall have contributed to such delay, shall entitle PDTC to indemnification, and it shall be held free and harmless for any costs, expenses or damages incurred or suffered to be incurred by it by reason thereof.
- 12.3 **Disclosure; Confidentiality.** Except as may be necessary to perform its duties under this Agreement as required by applicable regulations, PDTC as Registrar and/or Paying Agent: (a) shall keep privileged, confidential, separate, and distinct any information, data, documents, files, properties, funds, or any other matter which it may acquire pursuant to this Agreement or obtained in the course of the performance of its duties and functions; (b) shall refrain from disclosing any such information or item in any manner, whether written, oral, telegraphic, coded or encrypted, whether in physical, electronic, or any other form or media; and (c) hereby undertakes not to use any such information or item for its own benefit or for the benefit of any of its clients regardless of whether or not such use can be shown to cause disadvantage, injury, or damage to the Issuer. The Issuer hereby authorizes PDTC as Registrar and/or Paying Agent to disclose information and/or transfer data regarding this Agreement if required to do so by:
- 12.3.1 Request of any CP holders with respect to its own holdings of the CPs;

- 12.3.2 Request of the Bank through its authorized officers or employees,, all of whom shall be caused by the Issuer to keep confidential all such information disclosed to them;
- 12.3.3 Corporate practice, as disclosures made to directors, officers, employees, auditors, or legal counsel of PDTC necessary to perform its functions under this Agreement, all of whom shall be caused by PDTC to keep confidential all such information disclosed to them;
- 12.3.4 any applicable law, statute, or other regulation of or by any court order or similar process enforceable in any relevant jurisdiction;
- 12.3.5 any regulatory body, self-regulatory entity, clearing system/company or depository (whether of a governmental nature or otherwise) in any relevant jurisdiction
- 12.3.6 any department or agency of government in any relevant jurisdiction; and
- 12.3.7 any offices, branches, or subsidiaries of the PDS Group or any agents or third parties in connection with this Agreement (including the services/duties to be provided by the Registrar under this Agreement).

The Registrar and Paying Agent hereby agrees to handle all information it may receive in relation to the LTNCDs as a Data Processor in accordance with Republic Act No. 10173 (Data Privacy Act of 2012), its implementing rules and regulations, and other relevant issuances of the Philippine National Privacy Commission.

- 12.4 **Severability.** If any provision hereunder becomes invalid, illegal, or unenforceable under any law, the validity, legality, and enforceability of the remaining provisions and this Agreement shall not be affected or impaired.

#### 12.5 **Notices.**

- 12.5.1 Except as otherwise provided in this Agreement, any notice, demand, letter, or communication may be sent by the Registrar and/or Paying Agent to the Issuer by telex, electronic mail, web-based uploads, or other electronic or teleprocess instruction system, post, reputable courier, confirmed facsimile, S.W.I.F.T., or hand. Any notice, demand, letter or communication to the Registrar and/or the Paying Agent shall be sent to the following address and shall be effective only when received by the designated addressee/s. Any notice, demand, letter, or communication may be sent by one party to the other at the address and numbers set out below or such address and numbers as one party may inform the other in writing.

To the Issuer: **Alsons Consolidated Resources, Inc.**  
 Alsons Building 2286 Chino Roces Ave.,  
 Makati City, Philippines

Attention: Philip Edward B. Sagun  
Deputy Chief Financial Officer  
Address: (632) 8982 3000

To the Registrar  
& Paying Agent:

**Philippine Depository & Trust Corp.**  
29<sup>th</sup> Floor, BDO Equitable Tower,  
Paseo de Roxas, Makati City

Telephone no.: (632) 8884-4425  
Fax no.: (632) 757-6025  
E-mail: baby\_delacruz@pds.com.ph  
Attention: Josephine "Baby" Delacruz  
Director

- 12.5.2 The parties shall maintain a record of electronic data, message, communication, or mail received pursuant to this Agreement. Any electronic data, message, communication, or mail addressed to the Registrar and/or Paying Agent shall not be deemed received by the Registrar and/or Paying Agent until receipt of such communication has been acknowledged or confirmed by electronic communication or mail by an authorized representative of the Registrar and/or Paying Agent.
- 12.5.3 All notices shall be deemed to have been personally given on the date of receipt (if delivered personally), or ten (10) calendar days after posting (if transmitted by registered mail), or the date of transmission (if transmitted by telefax or electronic mail), or the date of receipt (if sent through other means). Each party may change its addressee, address, telefax number, or email address for purposes of receiving notice by giving written notice thereof to the other parties hereto.
- 12.5.4 The Issuer agrees that the Registrar and/or Paying Agent does not guarantee the security of any electronic communication transmitted to the CP holder or the Issuer, and that the Registrar and/or Paying Agent is not liable for the complete and timely transmission thereof in the absence of evident bad faith, gross negligence, or willful omission. The Issuer likewise agrees to hold the Registrar and/or Paying Agent harmless and indemnified from and against any actual or threatened liability or damage arising from or in connection with electronic transmission of information under this Agreement, unless said liability or damage was caused by the Registrar and/or Paying Agent's fraud, evident bad faith, gross negligence, or willful omission.
- 12.6 **Amendment.** Any amendment of this Agreement is subject to the mutual agreement in writing by both parties. The Issuer understands that any change to the Terms and Conditions that may affect the obligations of the Registrar and Paying Agent under this engagement shall be subject to a separate agreement with the Registrar and Paying Agent.
- 12.7 **Survival of Representations and Obligations.** Unless otherwise stated, the representations, warranties, agreements, undertakings and indemnities in this Agreement
- ACR Commercial Paper Registry and Paying Agency Agreement**

shall continue in full force and effect despite the termination or expiry of the term of this Agreement.

- 12.8 **Non-Waiver.** The failure of any party at any time or times to require the performance by the other of any provision of this Agreement shall not affect the right of such party to require the performance of that or any other provisions and the waiver by any party of a breach under this Agreement shall not be construed as a waiver of any continuing or succeeding breach of such provision, a waiver of the provision itself, or a waiver of any other right under this Agreement.
- 12.9 **Governing Law and Venue.** This Agreement shall be governed and construed in accordance with the laws of the Republic of the Philippines. Any legal action or proceeding arising out of, or connected with, this Agreement shall be brought exclusively in the proper courts of Makati City, each of the parties expressly waiving any other venue.
- 12.10 **Counterpart Signing.** It is agreed that this Agreement may be signed and notarized in counterparts.

**IN WITNESS WHEREOF:**

The parties have caused this Agreement to be executed on XXXXX at Makati City, Philippines.

(signature pages follow)

**₱3.0 BILLION COMMERCIAL PAPER**

**FACILITY AGENCY AGREEMENT**

**BY AND BETWEEN**

**ALSONS CONSOLIDATED RESOURCES, INC.**  
**ISSUER**

**AND**

**AB CAPITAL AND INVESTMENT CORPORATION**  
**FACILITY AGENT**

**[DATE]**

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## FACILITY AGENCY AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This **Facility Agency Agreement** (the “*Agreement*”) is made and entered into this day [date] by and between:

**ALSONS CONSOLIDATED RESOURCES, INC.**, a Philippine corporation with address at the Alsons Building 2286 Chino Roces Ave., Makati City, Philippines (the “*Issuer*”);

and

**AB CAPITAL AND INVESTMENT CORPORATION** (through its Trust and Investments Division), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal offices at Unit 1210-1212, 12th floor, PSE Tower, 5th Avenue corner 28th Street, Bonifacio Global City, 1630, Taguig City, Philippines (hereinafter referred to as the “*Facility Agent*”).

### WITNESSETH:

- (a) The Issuer has been authorized by the Securities and Exchange Commission (“**SEC**”) to offer up to **₱ 3,000,000,000** aggregate principal amount of commercial paper to be issued in one or more tranches within three (3) years from SEC approval (the “**CP**”) for public distribution and sale in the Philippines (the “**Offer**” or “**Offering**”);
- (b) SB Capital Investment Corporation (the “**Underwriter**”) has agreed to undertake and sell the CPs on a firm basis under the terms and conditions (“**Terms and Conditions**”) set forth in the Underwriting Agreement with the Issuer dated [date] (the “**Underwriting Agreement**”) while the Philippine Depository & Trust Corp. (the “**Registrar and Paying Agent**”) has agreed to act as registry and paying agent for the CPs based under the Registry and Paying Agency Agreement dated [date] (the “**RPAA**”);
- (c) The Issuer desires to appoint the Facility Agent as such for the purpose of protecting the CP Holders and to act as, and perform the functions and duties of, the Facility Agent according to the terms and conditions set forth in this Agreement, and on the basis of the representations, warranties, and undertakings of the Issuer in this Agreement and the terms and conditions below, the Facility Agent is willing and able to perform the functions required;

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Now, Therefore, the Issuer and the Facility Agent hereby agree as follows:

**1. Interpretation**

**1.1 Definitions**

Terms defined in the Terms and Conditions have the same meanings in this Agreement (except where otherwise defined in this Agreement) and except where the context requires otherwise:

**“Bona Fide Holder”** means any CP Holder who has been a *bona fide* holder of the CPs prior to a referenced date;

**“Contracts”** means this Agreement, the Underwriting Agreement and the RPAA and all other contracts entered into by the Issuer pursuant to the Offering;

**“CP Holder”** means an owner of the CPs duly reflected as such in the records of the Registrar and Paying Agent;

**“Eligible Purchasers”** means any natural person of legal age residing in the Philippines, regardless of nationality, or any corporation, association, partnership, trust account, fund or entity, regardless of nationality;

**“Governing Regulations”** means Republic Act No. 8799, the Securities and Regulation Code, SEC implementing rules and regulations and SEC circulars.

**“Issue Date”** means the date when the particular tranche of the CP is issued to Eligible Purchasers;

**“Majority CP Holders”** shall refer, at any time, to CP Holders who hold, represent or account for at least fifty-one percent (51%) of the aggregate outstanding principal amount of the CPs;

**“Prospectus”** means the information memorandum dated November 24, 2020 and circulated in connection with the Offer, and all amendments, supplements and addenda thereto;

**“Winding-up Proceeding”** means any proceedings in respect of the Issuer for insolvency, winding-up, liquidation, receivership or other similar proceedings.

- 1.2** **Clauses etc.:** References to Clauses and Schedules are to clauses of, and schedules to, this Agreement. Words denoting persons shall include individuals, corporations, partnerships, joint ventures, trusts, unincorporated organizations, political subdivisions, agencies or instrumentalities. Other than to a “third party”, references to “Party”, “Parties” or “Parties hereto” or similar references and references to

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“Section” or “Sections” are to be construed as references to a party or the parties to this Agreement and Sections of this Agreement.

**1.3 Modification etc.:** References to a statutory provision include the said provision as may from time to time be modified or re-enacted and as far as such modification or re-enactment applies or is capable of being applied with this Agreement.

**1.4 Headings:** The headings in this Agreement are used for convenience of reference only and shall not limit or affect the construction of the provisions hereof.

## **2. The CPs**

**2.1 Agreement to issue:** The Issuer has agreed to issue the CPs on the Issue Date to Eligible Purchasers, through the Underwriters, at the issue price based on the Terms and Conditions.

**2.2 Issuer Obligations:** The obligations of the Issuer shall consist of those under the Terms and Conditions, the Contracts, the Prospectus, as well as its obligations under this Agreement, including the full and prompt payment of all accrued interest due on the CPs, as well as any and all reasonable expenses that may be incurred by the Facility Agent in the performance of its functions pursuant to this Agreement.

**2.3 Issuer Discharge:** The obligations of the Issuer under the CPs and this Agreement shall cease to be of further effect if the Issuer shall have paid the principal of, and all accrued interests on, all the CPs issued and outstanding at the time and in the manner provided in the Terms and Conditions and the applicable Contracts. Principal, interest and any other sums payable under the CPs shall be considered paid, and the Issuer’s obligations to pay discharged, at the time payment of such principal, interest and any other sums payable under the CPs is actually received by the CP Holders, directly in accordance with applicable payment instructions or through the Registrar and Paying Agent.

## **3. Appointment**

**3.1 Appointment:** The Issuer hereby appoints the Facility Agent as such in respect of the CPs on the terms of and subject to the Terms and Conditions and this Agreement, and the Facility Agent hereby accepts such appointment.

**3.2 Term:** The appointment of the Facility Agent as such shall commence on the date on which the CPs shall be issued and shall subsist for so long as any amount of the CPs is outstanding, unless the services of the Facility Agent are otherwise terminated as agreed in writing between the Parties or pursuant to this Agreement which in any case shall be in accordance with the Governing Regulations.

**3.3 Duties and Responsibilities of the Facility Agent:** Subject to such other duties and functions as may be required by the Governing Regulations, the Facility Agent hereby agrees to independently perform, for the benefit of the CP Holders, the duties

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required of it herein and by the provisions of this Agreement, with authority, among others to:

- 3.3.1 coordinate with the Issuer, Underwriter, and Registrar and Paying Agent for the purpose of performing its responsibilities set forth herein;
  - 3.3.2 monitor and/or confirm, as applicable, compliance by the Underwriter and Registrar and Paying Agent, with their respective functions and responsibilities;
  - 3.3.3 report promptly and regularly to the CP Holders any breach of representations and warranties by the Issuer, and any occurrence of an Event of Default, including, without limit, any default by the Issuer of its obligations of which the Facility Agent may have written notice from the Issuer and that the CP Holders or their duly authorized representatives may obtain a report regarding the CPs at the principal office of the Facility Agent upon presentation of sufficient and acceptable identification;
  - 3.3.4 act on behalf of the CP Holders in calling for and/or attending meetings of the CP Holders in accordance with Schedule 2;
  - 3.3.5 receive and safely keep the duly executed original of the Master Note; and
  - 3.3.6 provide a copy of this Agreement for inspection at its specified office by the CP Holders upon their request.
- 3.4 No Implied Duties:** The Facility Agent is hereby obligated to perform such duties as are specifically set forth in this Agreement or are incorporated into this Agreement by reference to the Terms and Conditions and subject to the limitations herein, shall be liable only for the performance of such duties and obligations as are specifically set forth in this Agreement, and no obligation or covenants shall be implied or read into this Agreement as against the Facility Agent.
- 3.5 No Bond:** For the faithful performance of its duties under this Agreement, the Facility Agent shall not be required to furnish any bond or undertaking.
- 4. Reports to the CP Holders**

When, in the judgment of the Facility Agent, the need arises, the Facility Agent shall transmit to the CP Holders a brief report with respect to any action taken by the Facility Agent in the performance of its duties under this Agreement which it has not previously reported to the CP Holders and which in its opinion materially affects the CPs.

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## 5. Representations, Warranties and Covenants

### 5.1 **Representations, Warranties and Covenants of the Issuer:** As a condition to the Facility Agent undertaking the role and duties as set out in this Agreement, the Issuer represents, warrants and covenants unto the Facility Agent that:

- 5.1.1 it (and, if applicable, any person on whose behalf it may act as agent or in a representative capacity) has and will continue to have full capacity and authority to enter into this Agreement and to carry out the transactions contemplated in this Agreement, and has taken and will continue to take all action (including the obtaining of all necessary corporate approvals and governmental consents) to authorize the execution, delivery and performance of this Agreement;
- 5.1.2 the terms of this Agreement do not constitute a breach of any obligations by which it is bound whether arising by its charter documents, any contract, or operation of law;
- 5.1.3 it shall execute and deliver such documents and perform such further acts as the other party may reasonably require in relation to this Agreement;
- 5.1.4 it has obtained the approval of the SEC to issue the CPs, which approval has not been revoked, qualified, or restricted, and shall fully, timely, and unconditionally comply with all other terms and conditions imposed by the SEC regarding the issuance of the CPs while any portion of the CPs remain outstanding;
- 5.1.5 it shall, on the Issue Date, execute the Master Note and deliver the same to the Facility Agent and provide the Registrar and Paying Agent a certified true copy of the same; and

The aforesaid representations and warranties are true and correct as of the date of this Agreement and shall remain to be true and correct as long as the CPs or any portion thereof remain outstanding.

### 5.2 **Declarations by the Facility Agent:** The recitals contained herein and in the CPs shall be taken as the statements of the Issuer, and the Facility Agent assumes no responsibility for the correctness of the same. The Facility Agent makes no representation as to the validity of the CPs. The Facility Agent shall not be accountable for the use or application by the Issuer of any of the CPs or of the proceeds of such CPs.

## 6. Limitation of Liability

### 6.1 **Acts or Omissions:** In the performance of its obligations under this Agreement, the Facility Agent shall exercise such judgment and care under the circumstances then

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prevailing that individuals of prudence, discretion, intelligence, and familiarity with such matters exercise in the management of their own affairs. The Facility Agent shall not be held liable for any of its acts or omissions or any act or omission of any of its officers, employees or agents unless such act or omission was committed with fraud, evident bad faith, gross or willful negligence. The Facility Agent shall not be liable for any consequential or indirect loss unless so determined in proper proceedings pursuant to a final and executory judgment.

- 6.2 Compliance by the Issuer/Other Parties:** The Facility Agent shall have no obligation to enforce payment by the Issuer of the proceeds of the CPs nor shall it be responsible for the adequacy of the Issuer to meet and discharge any obligation of the Issuer under the CPs. Neither shall the Facility Agent be a surety or a guarantor of the solvency or capacity of the Issuer, Underwriters, Market Maker, Registrar and Paying Agent, or any of their authorized representatives.
- 6.3 Absence of Fault, et.al:** In the absence of fault, willful misconduct, fraud, evident bad faith, or gross negligence on the part of the Facility Agent, the Facility Agent shall not be liable for any depreciation in value or other losses of the CPs and shall be held free and harmless against any claim, liability, and damage including attorney's fees in case of litigation which may be suffered by the Facility Agent in performing the functions pursuant to the terms and conditions of this Agreement.
- 6.4 Reliance on Information:** Reliance on the information submitted by the Issuer, CP Holders, Underwriters, Registrar and Paying Agent, Market Maker, or any of their authorized representatives, shall absolve the Facility Agent from any liability in the absence of fault, willful misconduct, fraud, evident bad faith, or gross negligence on the part of the Facility Agent. The Facility Agent shall be fully protected in acting in accordance with the written directions, requests, instructions and certifications of the Issuer, CP Holders, Underwriters, Registrar and Paying Agent or Market Maker pursuant to this Agreement, to the extent not contrary to law. In relation to this,
- 6.4.1 The Facility Agent may rely on any communication or document believed by it to be genuine, and may rely on the statements of any of the Issuer, CP Holders, Underwriters, Registrar and Paying Agent or Market Maker, or any of their authorized representatives, on any matter or fact which might reasonably be expected to be within the latter's knowledge;
  - 6.4.2 The Facility Agent shall not be liable for any error of judgment made in good faith by its responsible officer or officers, unless it shall be proved that the Facility Agent was negligent in ascertaining the pertinent fact; and
  - 6.4.3 The Facility Agent shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Majority CP Holders, relating to the time, method, and place of conducting

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any proceeding for any remedy available to the Facility Agent or exercising any trust or power conferred upon the Facility Agent under this Agreement.

- 6.5 Functions and Authority:** No liability will be incurred by the Facility Agent if, in the event of any dispute or question as to the scope of its functions and authority, it acts clearly in accordance with the terms and conditions of this Agreement and, where applicable, in accordance with the written instructions or guidelines of the Issuer, except where the liability arises out of or is attributable to the Facility Agent's or any of its officers', employees' or agents' gross negligence, wilful misconduct, fraud or misrepresentation.
- 6.6 Force Majeure:** The Facility Agent assumes no responsibility for any loss or liability owing to any reason or cause beyond its control, including, without limitation, nationalization, currency turmoil or restrictions, fire, acts of war, acts of God, acts of any authority whether *de jure* or *de facto*, requirements or change in any laws or regulations, strikes or industrial action, acts of terrorism, failure of courier, delivery or publication services, or acts or disruption of any relevant securities exchange, depository, clearing house, settlement system, or market.
- 6.7 Negligence of Other Parties:** The Facility Agent shall not be liable for any negligence, default, failure or delay of any selling agent, market maker, depository, clearing system, government agency or securities registrar (or similar party), publication services or any losses arising therefrom (including non-receipt of any payments from the Issuer).
- 6.8 Disclosures:** The Facility Agent shall not disclose information and/or transfer data regarding this Agreement unless required or permitted to do so by: (i) applicable law, statute or other regulation; (ii) any court order or similar process enforceable in any relevant jurisdiction; or (iii) the Issuer. This obligation of confidentiality shall survive the termination of the relationship between the Issuer and the Registrar and Paying Agent.
- 6.9 Ability to Consult with Counsel:** The Facility Agent may, with the Issuer's prior written consent, engage and consult with legal counsel provided that such consent shall not be unreasonably withheld. Any reasonable opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or omitted to be taken by the Facility Agent hereunder in good faith and in accordance with such opinion.
- 6.10 Reliance on Certificates and Opinions:** Notwithstanding any provision of this Agreement authorizing the Facility Agent conclusively to rely upon any certificate or opinion, the Facility Agent may, before taking or refraining from taking any action in reliance thereon, require any further evidence or make any further investigation as to the facts or matters stated therein which it may in good faith deem reasonable in the circumstances; and the Facility Agent shall require such further evidence or make

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such further investigation as may reasonably be requested in writing by the Majority CP Holders.

## **7. Indemnity**

- 7.1 Indemnity Relating to Services:** The Issuer undertakes to pay the Facility Agent on demand an amount equal to any liability, damages, costs, loss or expense (including legal fees) (together “**Losses**”) incurred by the Facility Agent arising out of, in connection with or based on any claims, actions, proceedings, investigations, demands, judgments and awards (together “**Claims**”) which may be instituted, made, threatened or alleged against or otherwise involve the Facility Agent in connection with or arising out of the services rendered or duties performed by the Facility Agent under this Agreement, including (without limitation) all Losses which the Facility Agent may incur in investigating, preparing, disputing or defending, or providing evidence in connection with, any Claim (whether or not the Facility Agent is an actual or potential party to such Claim) or in establishing any Claim or mitigating any Loss on its part or otherwise enforcing its rights under this Clause 7.1 which shall be additional to and without prejudice to any rights which the Facility Agent may have at law or otherwise, except such Losses as may result from their willful default or gross negligence.
- 7.2 Indemnity for Breach:** In addition, the Issuer undertakes to pay to the Facility Agent on demand in relation to all Claims which may be instituted, made, threatened or alleged against or otherwise involve the Facility Agent and to all Losses suffered or incurred by the Facility Agent (except such Losses as may result from their willful default or gross negligence).
- 7.3 Parties Indemnified:** For the purposes of Clauses 7.1 and 7.2 only, the expression “**Facility Agent**” shall mean the Facility Agent and its respective directors, officers, employees and agents (which parties, other than the Facility Agent, shall be defined herein as “**Relevant Parties**”). However, the Facility Agent shall have no duty or obligation, whether as fiduciary or trustee, for any Relevant Parties or otherwise, to recover any such payment or account to any person for any amount paid to it under this Clause 7.
- 7.4 Others:** The Facility Agent may refrain from doing anything under this Agreement that would or might in its opinion be contrary to law or render it liable to any person, and until it has been indemnified or secured to its satisfaction against any and all costs, losses, expenses or liabilities which it would or might sustain or incur as a result. The Facility Agent may refrain from performing any action not expressly provided in this Agreement unless it is first given the proper written instructions by the Issuer.

## **8. Facility Agent as Owner or Pledgee of CPs**

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The Facility Agent, in its individual or any other capacity, may become the owner or pledgee of the CPs with the same rights it would have if it were not Facility Agent, and subject to the provisions of Clause 9.2, the Facility Agent may otherwise deal with the Issuer in the same manner and to the same extent as though it were not the Facility Agent hereunder.

## **9. Changes in Facility Agent**

**9.1 Resignation:** Subject to Clause 9.3, the Facility Agent may resign its appointment at any time by giving the Issuer and each of the CP Holders at least thirty (30) Business Days prior written notice to that effect; *Provided* that, so long as any of the CPs are outstanding, the notice shall not expire less than forty five (45) days before the Maturity Date per tranche based on the Tenor.

**9.2 Termination:** Subject to Clause 9.3, the Issuer, at their own instance, may at any time terminate the appointment of the Facility Agent for cause by giving to the Facility Agent at least thirty (30) Business Days prior written notice to that effect; *Provided*, that, so long as any of the CPs are outstanding, the notice shall not expire less than forty five (45) days before the Maturity Date per tranche based on the Tenor and notice shall be given to the CP Holders by the Issuer at least thirty (30) Business Days before the termination of the Facility Agent. The appointment of the Facility Agent may be terminated hereunder upon the occurrence of any of the following causes:

9.2.1 The Facility Agent fails to comply with the provisions of Clause 8.1 after written request therefor by the Issuer,

9.2.2 The Facility Agent ceases to have the qualifications of a Facility Agent required under PDEX Rules;

9.2.3 The Facility Agent is no longer required under the PDEX rules.

9.2.4 The Facility Agent becomes incapable of acting, or is adjudged bankrupt or insolvent, or a receiver of the Facility Agent or of its property is appointed, or any public officer shall take charge or control of the Facility Agent or of its properties or affairs for the purpose of rehabilitation, conservation or liquidation;

9.2.5 The Facility Agent shall become guilty of fraud or gross negligence in the performance of any material obligation under this Agreement.

In all such cases, the termination of the Facility Agent, as well the appointment of a successor Facility Agent in accordance with Clause 9.3, is without prejudice to whatever remedies may be available to the CP Holders under the law or in equity.

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- 9.3 Condition to Resignation and Termination:** No resignation or termination of the appointment of the Facility Agent shall take effect until a new Facility Agent has been appointed and qualified in accordance with the PDEX Rules. The Issuer, with the consent of the Majority CP Holders, shall promptly appoint a successor Facility Agent by written instrument, in duplicate, one (1) copy of which instrument shall be delivered to the Facility Agent, as applicable, and one copy to the successor Facility Agent, as applicable.

Upon acceptance by a successor Facility Agent of its appointment as such in accordance with Clause 9.4, the Issuer shall notify the CP Holders of the succession of such trustee to the trust herein provided. If the Issuer fails to notify the CP Holders within ten (10) days after the acceptance by the successor Facility Agent of its appointment, such successor Facility Agent shall cause the CP Holders to be so notified at the expense of the Issuer.

If no successor Facility Agent shall have been so appointed and qualified within thirty (30) Business Days after the giving of the notice of termination or within sixty (60) Business Days after the giving of the notice of resignation, as the case may be, a Bona Fide Holder, for himself and on behalf of all other CP Holders (in the case of a termination) or the Facility Agent (in the case of resignation) shall be entitled to petition any court of competent jurisdiction for the appointment of a successor trustee. Such court may thereupon after notice, if any, as it may deem proper and prescribe, appoint an interim Facility Agent who shall be bound by the terms of this Agreement as if they had been an original party hereto until such time as the Issuer, with the consent of the Majority CP Holders, shall have appointed a qualified replacement for the Facility Agent.

In all cases, no resignation or termination of the appointment of the Facility Agent shall take effect unless and until: (i) notices required under Clause 9.1 and 9.2 have been given to the appropriate parties; (ii) the Issuer has notified and obtained approval of PDEX, if necessary, and has complied with the other requirements of the PDEX Rules and other applicable regulations; and (iii) the acceptance by the successor Facility Agent of its appointment in accordance with Clause 9.4.

- 9.4 Successor Facility Agent:** Any successor Facility Agent appointed pursuant to Clause 9.3 shall execute, acknowledge and deliver to the Issuer and to its predecessor an instrument accepting such appointment, and subject only to the fulfillment of all other conditions provided in Clause 9.3, the resignation or removal of the Facility Agent shall thereupon become effective and such Successor Facility Agent, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts, duties and obligations of its predecessor in the trust hereunder with like effect as if originally named as Facility Agent herein; *Provided*, that on the written request of the Issuer or of the successor Facility Agent, the Facility Agent shall execute and

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deliver an instrument transferring to such successor Facility Agent, upon the trust herein expressed, all the rights, powers and duties of the Facility Agent herein. Further, upon request of any such successor Facility Agent, the Issuer shall execute any and all instruments in writing as may be necessary to fully vest in and confer to such successor trustee all such rights, powers and duties.

For its part, a successor Facility Agent shall only accept its appointment as provided in this Clause if, at the time of its acceptance, such successor Facility Agent shall be qualified and eligible under the PDEx Rules and as set out in Clause 5.2.2 and has none of the conflict of interest under Clause 8.

- 9.5 Merger or Consolidation:** A corporation into which the Facility Agent is merged or converted or with which it is consolidated or which results from a merger, conversion or consolidation to which it is a party shall, to the extent permitted by applicable law, be the successor Facility Agent under this Agreement without further formality. The Facility Agent concerned shall forthwith notify such an event to the Issuer and the CP Holders.

## **10. Default**

- 10.1 When in Default:** The Issuer shall be considered in default under this Agreement in case of failure to pay any principal due on the CPs on each Maturity Date per Tenor.
- 10.2 Remedies:** The Facility Agent shall exercise such functions and avail of such remedies for the benefit of the CP Holders as are provided in this Agreement.

## **11. Compensation and Expenses**

- 11.1 Fees:** In consideration for the compliance and performance by the Facility Agent of its duties and obligations under this Agreement, the Issuer shall pay to the Facility Agent such fees in the amount and in the manner as may be separately agreed in writing between them.
- 11.2 Costs:** The Facility Agent shall separately invoice the Issuer, and the Issuer will pay within five (5) days from its receipt of such invoice, all reasonable and documented expenses, disbursements, advances or and out-of-pocket expenses incurred or made by the Facility Agent, including but not limited to, expenses for printing and publication expenses, mailing expenses, and legal fees and other necessary expenses, which may be or have been incurred in connection with this Agreement, together with any applicable value added tax and stamp, issue, documentary or other taxes and duties.
- 11.3 Withholding:** All sums payable to the Facility Agent by way of fees or costs shall be paid in Philippine currency and in full without withholding or deduction and free

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and clear of any taxes (including value added, excise or other similar taxes), duties, assessments or governmental charges of any nature unless such withholding or deduction is required by law, in which event the Issuer will pay to the Facility Agent such additional amounts as to ensure that the Facility Agent receives and retains the amount it would have received (free from any liability in respect of any such withholding or deduction) if no such withholding or deduction had been made or required to be made. The Issuer shall pay the value added, excise, or other similar tax at the same time as any amount due is paid to the Facility Agent. Unless otherwise agreed between the Issuer and the Facility Agent, no payments made to third parties by the Issuer shall reduce the fees payable to the Facility Agent.

- 11.4 Own Funds:** Except as may be otherwise provided in this Agreement, the Facility Agent is not expected to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers if there is reasonable ground for believing the repayment of such funds or liability is nor reasonably assured to it under the terms of this Agreement, including the furnishing of any bond or undertaking.

## **12. Electronic Commerce Act**

- 12.1 Maintenance of Records:** The parties shall maintain and shall not delete any electronic data, message, communication or mail received pursuant to this Agreement. Within five (5) days from written request by the Facility Agent, the Issuer shall execute or cause the Underwriters, Market Maker, Registrar and Paying Agent, or any of their authorized representatives to execute, an affidavit attesting to any facts related to any electronic data, message, communication, or mail, in form and substance acceptable to the Facility Agent.

- 12.2 Receipt:** Any electronic data, message, communication or mail addressed to the Facility Agent shall not be deemed received by the Facility Agent until receipt of such communication has been acknowledged or confirmed by electronic communication or mail by an authorized representative of the Facility Agent.

## **13. Communications**

- 13.1 Notices:** Any communication shall be given by letter, electronic mail (email), fax or telephone, and shall be given, in the case of notices to the Issuer, to it at:

To the Issuer:                      Alsons Consolidated Resources, Inc.  
   Alsons Building 2286 Chino Roces Ave., Makati City,  
   Metro Manila

Facsimile No.:                      - (632) 8982 3030  
Telephone No.:                      - (632) 8982 3000

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Email address: - psagun@alcantaragroup.com

Attention: - Philip Edward B. Sagun  
-Deputy Chief Financial Officer

To the Facility Agent: AB Capital and Investment Corporation  
Unit 1210-1212, 12th floor, PSE Tower, 5th Avenue  
corner 28th Street, Bonifacio Global City, 1630,  
Taguig City, Philippines

Telephone No.: (632) 8898 75 28  
Fax No.: (632) 8898 75 96  
Email: gfabad@abcapital.com.ph

Attention: Gerard Martin F. Abad  
Vice President

- 13.2 Effectiveness:** Such communications will take effect, in the case of a letter, when delivered or, in the case of email or fax, on the date of transmission, provided that any communication received after 5:00 p.m. shall take effect only at 10:00 a.m. of the immediately succeeding Business Day in the place of the recipient. Communications not by letter shall be confirmed by letter but failure to send or receive the letter of confirmation shall not invalidate the original communication.

#### **14. Governing Law and Submission**

- 14.1 Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the Republic of the Philippines.

- 14.2 Jurisdiction:** The proper courts of Makati City are to have jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and accordingly any legal action or proceedings arising out of or in connection with this Agreement ("**Proceedings**") may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is for the benefit of the Facility Agent and shall not limit its right to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

#### **15. Counterparts**

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This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument

**16. Assignment and Change of Parties**

**16.1 Assignment:** This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective corporate successors and assigns. However, no party hereto may transfer or assign any of its rights or obligations under this Agreement.

**16.2 Change of Parties:** Except as provided herein, the Issuer may not replace the Facility Agent without the consent of the Majority CP Holders.

**17. Amendment**

**17.1 Agreement of Parties:** Any amendment of this Agreement is subject to the mutual agreement in writing by the parties hereto. The Issuer and the Facility Agent may amend this Agreement or the CPs only with the written consent of the Majority CP Holders.

**17.2 Form of Consent:** It shall not be necessary for the consent of the CP Holders under this paragraph to approve the particular form of any proposed amendment, but it shall be sufficient if such consent approves the substance thereof. After an amendment under this clause becomes effective, the Issuer shall mail to the CP Holders a notice briefly describing such amendment.

**18. Non-Waiver**

The failure of any party at any time or times to require the performance by the other of any provision of this Agreement shall not affect the right of such party to require the performance of that or any other provisions and the waiver by any party of a breach under this Agreement shall not be construed as a waiver of any continuing or succeeding breach of such provision, a waiver of the provision itself or a waiver of any right under this Agreement. The remedies herein provided are cumulative in nature and not exclusive of any remedies provided by law.

**19. Severability**

If any provision hereunder becomes invalid, illegal or unenforceable under any law, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected or impaired. The parties agree to replace any invalid provision with another which most closely approximates the intent and effect of that provision.

**20. Counterpart Signing.**

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It is agreed that this Agreement may be signed and notarized in counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same Agreement.

*[Signature page follows]*

DRAFT

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers on the date first above written.

ALSONS CONSOLIDATED RESOURCES, INC.  
(Issuer)

By:

PHILIP EDWARD B. SAGUN  
Deputy Chief Financial Officer

## ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES )  
 ) S. S.

BEFORE ME, a Notary Public for and in \_\_\_\_\_, this \_\_\_\_\_, personally appeared the following:

<u>Name</u>	<u>Competent Evidence of Identity</u>	<u>Issued On/At</u>
-		

known to me and by me known to be the same persons who executed the foregoing Facility Agency Agreement and they acknowledged to me that the same is their own free and voluntary act and deed as well as of the corporations they respectively represent.

WITNESS MY HAND AND SEAL on the date and at the place first abovewritten.

Doc. No. \_\_\_\_;  
Page No. \_\_\_\_;  
Book No. \_\_\_\_;  
Series of 2022.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers on the date first above written.

AB CAPITAL AND INVESTMENT CORPORATION  
TRUST AND INVESTMENTS DIVISION  
(Facility Agent)

GERARD MARTIN F. ABAD  
*Vice President*

DANILO C. BAUTISTA  
*Assistant Vice President*

## ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES )  
 ) S. S.

BEFORE ME, a Notary Public for and in \_\_\_\_\_, this \_\_\_\_\_, personally appeared the following:

<u>Name</u>	<u>Competent Evidence of Identity</u>	<u>Issued On/At</u>
Gerard Martin F. Abad		
Danilo C. Bautista		

known to me and by me known to be the same persons who executed the foregoing Facility Agency Agreement and they acknowledged to me that the same is their own free and voluntary act and deed as well as of the corporations they respectively represent.

WITNESS MY HAND AND SEAL on the date and at the place first abovewritten.

Doc. No. \_\_\_\_;  
Page No. \_\_\_\_;  
Book No. \_\_\_\_;  
Series of 2022.

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**Schedule 1**  
**Terms and Conditions of the CPs**

Issuer	: Alsons Consolidated Resources Inc.
Issue Manager, Lead Underwriter, and Bookrunner	: SB Capital Investment Corporation
Financial Advisor	MIB Capital Corporation
Instrument	: Registered Commercial Paper
Program	: Up to Php 3,000,000,000.00
Issue Size	: <del>₱</del> 1,135,000,000.00 to be issued in one lump sum or multiple tranches, at the determination of the Issuer in consultation with the Issue Manager, Lead Underwriter and Bookrunner.
Use of Proceeds	: Working Capital and other General Corporate Purposes.
Tenor / Initial Issuance	: The tenor of the initial issuance shall be as follows:  Series T: One Hundred Eighty-Two (182) days from Issue Date  Series U: Three Hundred Sixty-Four (364) days from Issue Date
Denomination	: For Series T:  Minimum of Pesos: Five Million (Php5,000,000.00) face value and increments of Pesos: Five Hundred Thousand (Php500,000.00)  For Series U:  Minimum of Pesos: Five Hundred Thousand (Php500,000.00) face value and increments of Pesos: One Hundred Thousand (Php100,000.00)
Issue Price	: Discount to Face Value
Issue Date	: In one or more dates to be set by the Issuer in consultation with the Issue Manager, Lead Underwriter and Bookrunner on a “when and as needed” basis. The target issue date for the Initial Issuance of the First Tranche is Q4 2022. For the avoidance of doubt, an Issue Date shall at any time be any date which is within the validity of the SEC Permit to Sell.

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Discount Rate for Initial Issuance	:	Benchmark Rate + Spread
Discount Rate for Subsequent Issuance/s	:	The discount rate for the subsequent issuance/s shall be set by the issuer in consultation with the underwriter which may be determined based on the corresponding Benchmark Rate plus Spread
Minimum Denomination for Secondary Trading	:	Minimum of Pesos: One Hundred Thousand (Php 100,000) face value and increments of Pesos: Ten Thousand (Php 10,000)
Benchmark Rate	:	<p>The higher of the three-day average PHP BVAL benchmark rate of the corresponding tenor or the closest tenor of the Term Deposit Facility of the Bangko Sentral ng Pilipinas of its successor benchmark.</p> <p>The corresponding benchmark rates are as follows:</p> <p>Series T: PHP BVAL 6M, or its successor benchmark rate</p> <p>Series U: PHP BVAL 12M, or its successor benchmark rate</p>
Tenor of Subsequent Issuance/s	:	The tenor of succeeding issues may range from thirty (30) days up to the maximum tenor allowed by the Securities and Exchange Commission (SEC) under the relevant provisions of the Securities Regulation Code (SRC)
Interest Computation	:	The Interest/Discount Rate and Rollover/Discount Rate will be calculated on a true-discount basis
Principal Repayment	:	<p>The principal amount of the CPs will be repaid in full at their respective Maturity Dates, unless the investor provides written instruction to rollover the entire amount or a portion thereof.</p> <p>If such principal repayment is due on a day that is not a business day, the principal repayment date shall be made on the immediately succeeding business day. No additional interest will be paid in such case.</p>
Status	:	The CPs will constitute direct, unconditional, unsubordinated, general and unsecured obligations of the Issuer ranking at least pari passu in all respects and without preference or priority (except for any statutory preference or priority applicable in the winding-up of the Issuer) with all other outstanding unsecured and unsubordinated obligations (contingent or otherwise, present and future of the Issuer.

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Form	: The CPs shall be issued scripless and will be maintained in electronic form with the Registrar to be appointed for the purpose
Taxation	: Interest paid on the CPs shall be subject to a 20% final withholding tax.  A CP Holder who is exempt from or is not subject to the aforesaid withholding tax shall be required to submit a tax exemption certificate and other applicable documents.
Registrar	: Philippine Depository & Trust Corp.
Paying Agent	: Philippine Depository & Trust Corp.
Facility Agent	: AB Capital and Investment Corporation – Trust Department  The Facility Agent has no direct relations with the Issuer.
Secondary Trading	: The CPs are intended to be listed at the Philippine Dealing & Exchange Corp. (PDEX) for secondary trading of the CPs and upon such listing, all secondary trading may be coursed through eligible PDEX Trading Participants.
Market Maker	: Security Bank Corporation
Manner of Purchase	: The CPs will be available for sale from the Lead Underwriter and Selling Agents, if any, subject to minimum purchase amount and denomination.
Acceptance / Rejection of the Application	: The Issue Manager, Lead Underwriter, and Bookrunner reserve the right to accept or reject any application for CPs. In case of over-subscription, the Issuer and the Issue Manager, Lead Underwriter and Bookrunner reserve the right to allocate the CPs available to the investors in a manner they deem appropriate.
Delivery of CP	: Delivery of the CPs will be made upon full payment of the Offer Price to the Underwriter and/or Selling Agents

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## Schedule 2

### Meetings of CP Holders

- 1 **Meetings:** A meeting of CP Holders may be called at any time and from time to time pursuant to the provisions of this Schedule 2 for the purpose of taking any action authorized to be taken by or on behalf of the CP Holders of any specified aggregate principal amount of CPs under any other provisions of this Agreement or under any other applicable law.
- 2 **Notice of Meetings:** The Facility Agent may at any time call a meeting of the CP Holders on its own accord or upon the request by the Issuer or CP Holders holding at least twenty percent (20%) of the aggregate outstanding principal amount of the CPs to take any action specified in Clause 1 of this Schedule 2, to be held at such time and at such place as the Facility Agent shall determine. Notice of every meeting of CP Holders, setting forth the time and the place of such meeting in Metro Manila and the purpose of such meeting in reasonable detail, shall be sent to the Issuer and to each of the CP Holders and published in two (2) newspapers of general circulation in Metro Manila, Philippines not earlier than forty-five (45) days nor later than fifteen (15) days prior to the date of the meeting; *Provided*, that all reasonable costs and expenses incurred by the Facility Agent for the proper dissemination of required information on the requested meeting shall be paid or reimbursed, as applicable, by the Issuer within five (5) Business Days from receipt of the duly supported billing statement.
- 3 **Failure of Facility Agent to Call a Meeting:** In case at any time the Issuer, pursuant to a resolution of its board of directors, or the CP Holders with at least twenty percent (20%) of the aggregate outstanding principal amount of the CPs shall have requested the Facility Agent to call a meeting of the CP Holders by written request setting forth in reasonable detail the purpose of the meeting, and the Facility Agent shall not have mailed and published, in accordance with Clause 2 of this Schedule 2, the notice of such meeting within ten (10) days after receipt of such request, then the Issuer or the CP Holders in the amount above specified may determine the time and place for such meeting and may call such meeting by mailing and publishing notice thereof as provided in Clause 2 of this Schedule 2, and the costs thereof shall be chargeable to the Facility Agent.
- 4 **Quorum:** The presence of the Majority CP Holders personally or by proxy shall be necessary to constitute a quorum to do business at any meeting of the CP Holders.
- 5 **Procedure:** The Facility Agent shall, by an instrument in writing, appoint a temporary chairman and secretary of the meeting from among the CP Holders then present or represented during the meeting, unless the meeting shall have been called by the Issuer or by the CP Holders as provided in Clause 3 hereof, in which case the

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Issuer or the CP Holders calling the meeting, as the case may be, shall in like manner appoint a temporary chairman and secretary of the meeting from among the CP Holders then present or represented during the meeting. Any meeting of the CP Holders duly called pursuant to the provisions of this Section may be adjourned from time to time for a period or periods not to exceed in the aggregate one (1) year from the date for which the meeting shall originally have been called, and the meeting so adjourned may be held on another date without further notice. Any such adjournment may be ordered by persons representing a majority of the aggregate principal amount of the CPs represented at the meeting and entitled to vote, whether or not a quorum shall be present at the meeting.

- 6 **Voting Rights:** To be entitled to vote at any meeting of the CP Holders, a person shall be a registered holder of the CPs or a person appointed by an instrument in writing as proxy by any such CP Holder as of the date of such meeting. The only persons who shall be entitled to be present or to speak at any meeting of the CP Holders shall be the persons entitled to vote at such meeting and any representative of the Issuer and its counsel.
- 7 **Voting Requirement:** All matters presented for resolution by the CP Holders in a meeting duly called for the purpose shall be decided or approved by the affirmative vote of the majority of the CP Holders present or represented in a meeting at which there is a quorum, except as otherwise provided in this Agreement. Any resolution of the CP Holders which has been duly approved with the required number of votes of the CP Holders as herein provided shall be binding upon all the CP Holders and the Facility Agent as if the votes were unanimous.
- 8 **Role of the Facility Agent in Meetings of CP Holders:** Notwithstanding any other provisions of this Agreement, the Facility Agent may make such reasonable regulations as it may deem advisable for any meeting of the CP Holders, in regard to proof of ownership of CPs, the appointment of proxies by registered holders of CPs, the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidences of the right to vote, and such other matters concerning the conduct of the meeting as it shall deem fit.
- 9 **Evidence Supporting CP Holders' Action:** Wherever in this Agreement it is provided that the holders of a specified percentage of the aggregate outstanding principal amount of CPs may take any action (including the making of any demand or request, the giving of any notice or consent, or the taking of any other action), the fact that at the time of taking any such action the holders of such specified percentage have joined therein may be evidenced by:
  - (a) any instrument executed by the CP Holders in person or by the agent or proxy appointed in writing;

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- (b) the duly authenticated record of voting in favor thereof at the meeting of the CP Holders duly called and held in accordance with this clause; or
  - (c) a combination of such instruments and any such record of meeting of the CP Holders.

DRAFT



September 22, 2022

**Alsons Consolidated Resources, Inc.**

2<sup>nd</sup> Floor, Alsons Bldg.  
2286 Chino Roces Extension  
Makati City

Attention: Mr. Philip Edward B. Sagun  
Deputy CFO

Re: Registration and Issuance of Alsons Consolidated Resources Inc.'s  
PHP3,000,000,000.00 Commercial Paper Program (the "Offer")

Gentlemen

This is in reference to the above-captioned matter.

We understand that the Board of Directors of Alsons Consolidated Resources Inc. ("ACR") has on August 25, 2022, approved the registration and issuance of the PHP3,000,000,000.00 commercial paper program ("CP Program"). The First Tranche of the CP Program has an aggregate face value of up to PHP1,135,000,000 consisting of 182-day Series T and 364-day Series U commercial papers (the "CPs" or the "Offer").

Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Summary of the Offering attached hereto as Annex "A".

SB Capital Investment Corporation seeks the mandate to act as Issue Manager, Lead Underwriter, and Bookrunner for the Offer (the "Lead Underwriter"), on terms to be mutually agreed. The Offer shall be subject to, among others, the satisfaction of the following conditions: (i) satisfactory financial, operational, and legal due diligence; (ii) agreement to the terms and conditions of the CPs; (iii) obtaining the necessary internal approvals; (iv) obtaining necessary government and/or regulatory approvals relative to the Issue; (v) mutual agreement on the timing of the Issue; (vi) acceptable bookbuilding conditions, (vii) no material adverse change in the Company's business prospects or in market conditions; and (viii) legal documentation acceptable to SB Capital.

The indicative terms of the Offer are neither complete nor final and are subject to further negotiation and final documentation in the form to be agreed between and among the Company and the Lead Underwriter.

This letter is not an underwriting agreement and does not obligate nor create any legally binding obligation on the Company or the Lead Underwriter and/or their respective affiliates to enter into an underwriting agreement or otherwise proceed with the Offer.

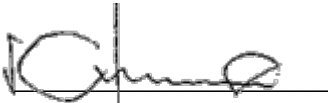

Should the foregoing accurately reflect our understanding of the arrangements in respect of the Offer, kindly affix your signature in the space provided in the duplicate copy of this letter enclosed herewith and return such signed copy to us.

Thank you for this opportunity to be of service and we look forward to the successful CP Program.

Very Truly yours,

SB Capital Investment Corporation

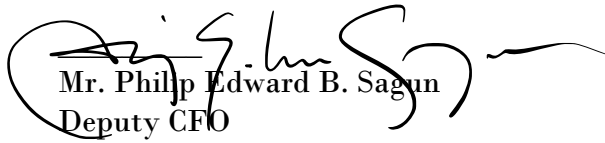
By:

  
\_\_\_\_\_  
Virgilio O. Chua  
President  
\_\_\_\_\_  
Daniel James C. Locsin  
Associate Director

ACR confirms its agreement to the terms set out in this Mandate Letter with effect from September 22, 2022.

Alsons Consolidated Resources, Inc.

By:

  
Mr. Philip Edward B. Sagun  
Deputy CFO

## Annex “A”

### Summary of the Terms of the Offer

The following do not purport to be a complete listing of all the rights, obligations and privileges of the CPs. Some rights, obligations or privileges may be further limited or restricted by other documents and subject to final documentation. Prospective note holders are enjoined to perform their own independent investigation and analysis of the Issuer and the Commercial Papers. Each prospective note holder must rely on its own appraisal of the Issuer and the proposed financing and its own independent verification of the information contained herein and any other investigation it may deem appropriate for the purpose of determining whether to participate in the proposed financing and must not rely solely on any statement or the significance, adequacy or accuracy of any information contained herein. The information and data contained herein are not a substitute for the prospective note holder’s independent evaluation and analysis.

The following overview should be read as an introduction to, and is qualified in its entirety by reference to, the more detailed information appearing elsewhere in this Prospectus. This overview may not contain all of the information that prospective investors should consider before deciding to invest in the CP. Accordingly, any decision by a prospective investor to invest in the CPs should be based on a consideration of this Prospectus as a whole, which provides the material rights, obligations and privileges of a CP Holder. Should there be any inconsistency between the summary below and the final documentation, the final documentation shall prevail.

The following are the terms and conditions of the First Tranche:

Issuer	: Alsons Consolidated Resources Inc.
Issue Manager, Lead Underwriter, and Bookrunner	: SB Capital Investment Corporation
Financial Advisor	MIB Capital Corporation
Instrument	: Registered Commercial Paper
Program	: Up to Php 3,000,000,000.00
Issue Size	: ₱1,135,000,000.00 to be issued in one lump sum or multiple tranches, at the determination of the Issuer in consultation with the Issue Manager and Underwriter/Arranger.
Use of Proceeds	: Working Capital and other General Corporate Purposes.

<b>Tenor / Initial Issuance</b>	<p>: The tenor of the initial issuance shall be as follows:</p> <p>Series T: One Hundred Eighty Two (182) days from Issue Date</p> <p>Series U: Three Hundred Sixty Four (364) days from Issue Date</p>
<b>Denomination</b>	<p>: For Series T:</p> <p>Minimum of Pesos: Five Million (Php5,000,000.00) face value and increments of Pesos: Five Hundred Thousand (Php500,000.00)</p> <p>For Series U:</p> <p>Minimum of Pesos: Five Hundred Thousand (Php500,000.00) face value and increments of Pesos: One Hundred Thousand (Php100,000.00)</p>
<b>Issue Price</b>	: Discount to Face Value
<b>Issue Date</b>	: In one or more dates to be set by the Issuer in consultation with the Issue Manager, and Arranger and Underwriter on a “when and as needed” basis. The target issue date for the Initial Issuance of the First Tranche is Q4 2022. For the avoidance of doubt, an Issue Date shall at any time be any date which is within the validity of the SEC Permit to Sell.
<b>Discount Rate for Initial Issuance</b>	: Benchmark Rate + Spread
<b>Discount Rate for Subsequent Issuance/s</b>	: The discount rate for the subsequent issuance/s shall be set by the issuer in consultation with the underwriter which may be determined based on the corresponding Benchmark Rate plus Spread
<b>Minimum Denomination for Secondary Trading</b>	: Minimum of Pesos: One Hundred Thousand (Php 100,000) face value and increments of Pesos: Ten Thousand (Php 10,000)
<b>Benchmark Rate</b>	<p>: The higher of the three-day average PHP BVAL benchmark rate of the corresponding tenor or the closest tenor of the Term Deposit Facility of the Bangko Sentral ng Pilipinas of its successor benchmark.</p> <p>The corresponding benchmark rates are as follows:</p> <p>Series T: PHP BVAL 6M, or its successor benchmark rate</p>

			Series U: PHP BVAL 12M, or its successor benchmark rate
Tenor of Issuance/s	Subsequent		The tenor of succeeding issues may range from thirty (30) days up to the maximum tenor allowed by the Securities and Exchange Commission (SEC) under the relevant provisions of the Securities Regulation Code (SRC)
Interest Computation		:	The Interest/Discount Rate and Rollover/Discount Rate will be calculated on a true-discount basis
Principal Repayment		:	<p>The principal amount of the CPs will be repaid in full at their respective Maturity Dates, unless the investor provides written instruction to rollover the entire amount or a portion thereof.</p> <p>If such principal repayment is due on a day that is not a business day, the principal repayment date shall be made on the immediately succeeding business day. No additional interest will be paid in such case.</p>
Status		:	The CPs will constitute direct, unconditional, unsubordinated, general and unsecured obligations of the Issuer ranking at least pari passu in all respects and without preference or priority (except for any statutory preference or priority applicable in the winding-up of the Issuer) with all other outstanding unsecured and unsubordinated obligations (contingent or otherwise, present and future of the Issuer.
Form		:	The CPs shall be issued scripless and will be maintained in electronic form with the Registrar to be appointed for the purpose
Taxation		:	<p>Interest paid on the CPs shall be subject to a 20% final withholding tax.</p> <p>A CP Holder who is exempt from or is not subject to the aforesaid withholding tax shall be required to submit a tax exemption certificate and other applicable documents.</p>
Registrar		:	Philippine Depository & Trust Corp.
Paying Agent		:	Philippine Depository & Trust Corp.

Facility Agent	: AB Capital and Investment Corporation – Trust Department  The Facility Agent has no direct relations with the Issuer.
Secondary Trading	: The CPs are intended to be listed at the Philippine Dealing & Exchange Corp. (PDEX) for secondary trading of the CPs and upon such listing, all secondary trading may be coursed through eligible PDEX Trading Participants.
Market Maker	: Security Bank Corporation
Manner of Purchase	: The CPs will be available for sale from the Lead Underwriter and Selling Agents, if any, subject to minimum purchase amount and denomination.
Acceptance / Rejection of the Application	: The Issue Manager, Lead Underwriter, and Bookrunner reserve the right to accept or reject any application for CPs. In case of over-subscription, the Issuer and the Issue Manager, Arranger and Underwriter reserve the right to allocate the CPs available to the investors in a manner they deem appropriate.
Delivery of CP	: Delivery of the CPs will be made upon full payment of the Offer Price to the Underwriter and/or Selling Agents
Liabilities	: The Company as the CP issuer is liable and responsible for any and all obligations arising from the sale of the CP as provided under pertinent sections of the Negotiable Instruments Law, the SRC and applicable laws of the Philippines as well as in the Underwriting Agreement and related agreements. In addition, the Issuer is responsible for complying with all reportorial requirements of the SEC in connection with the issuance of the CP.
Credit Rating	: The Issuer has a rating of PRS Aa minus as assigned by PhilRatings effective February 23, 2022.  PhilRatings assigned an issuer credit rating of PRS Aa minus (corp.) for Alsons Consolidated Resources, Inc. based on the following considerations: <ul style="list-style-type: none"> <li>i. the establishment of development projects in Mindanao that are supportive of the growth of the region's power industry;</li> <li>ii. the Company's ability to establish joint ventures with strong partners for particular projects;</li> </ul>

	<ul style="list-style-type: none"> <li>iii. its planned expansion projects which will further diversify its generation mix;</li> <li>iv. its strong profitability, despite the ongoing COVID-19 pandemic;</li> <li>v. the challenges it encountered in securing bilateral contracts for its diesel power plants; and</li> <li>vi. the improving economic situation amid declining COVID-19 cases and increasing vaccination rate.</li> </ul>
Security	: Negative pledge on the Company's existing and future assets, except (i) to secure statutory obligations, (ii) to enable the Company to continue to enter into its usual transactions in the ordinary course of business, (iii) those imposed by law or arising out of pledges or deposits under workmen's compensation laws or other social security or retirement benefits or similar legislation, and (iv) those created for the purpose of paying current taxes, assessments or other governmental charges which are not delinquent or remain payable without any penalty, or the validity of which is contested in good faith by appropriate proceedings upon stay of execution of the enforcement thereof.
Cross Default	: The Company shall be considered to be in default in case the Company fails to pay or defaults in the payment of any installment of the principal or interest relative to, or fails to comply with or to perform, any other material obligation, or commits a breach or violation of any of the material terms, conditions or stipulations, of any agreement, contract or document with any persons to which the Company is a party or privy, whether executed prior to or after the date hereof, or under which the Company has agreed to act as guarantor, surety or accommodation party, which, under the terms of such agreement, contract, document, guaranty or suretyship, including any agreement similar or analogous thereto, shall constitute a material default thereunder after allowing for all applicable grace periods. No default will occur under this clause if the aggregate amount the Company fails to pay is less than Php 35 million (or its equivalent in any other currency or currencies)".
Other Terms and Conditions	: 1. The CPs will not be convertible to any other security or equity of the Issuer.

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2. The Issuer will not set up any sinking fund for the redemption of the CPs.
  3. Substitution of the CP with another type of security will not be permitted.

Other terms and conditions as may be agreed upon among the Issuer, the Issue Manager, Arranger and Underwriter.

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# Publication Requirement

## IN THE MATTER OF THE REGISTRATION OF SECURITIES

### Shelf Registration

Alsons Consolidated Resources, Inc.

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### NOTICE

Notice is hereby given that on [●], a sworn Registration Statement (“RS”) has been filed with the Securities and Exchange Commission (the “Commission”) for and on behalf of **ALSONS CONSOLIDATED RESOURCES, INC.** (the “Company”) for the registration of a Commercial Paper Program with an aggregate amount of up to **Three Billion Pesos (PHP3,000,000,000.00)** to be offered in one and several tranches under shelf registration. The first tranche to be offered consists of up to One Billion One Hundred Thirty-Five Million Pesos (PHP1,135,000,000.00) worth of Commercial Papers.

According to the documents presented, the following persons are the directors and executive officers of the Company:

Office	Name	Nationality
Director, President, Chairman of the Board	Nicasio I. Alcantara	Filipino
Director, Vice-Chair and Treasurer	Editha I. Alcantara	Filipino
Director, and Executive Vice President	Tirso G. Santillan, Jr.	Filipino
Director	Alejandro I. Alcantara	Filipino
Director	Ramon T. Diokno	Filipino
Director	Tomas I. Alcantara	Filipino
Director	Honorio A. Poblador III	Filipino
Director	Arturo B. Diago, Jr.	Filipino
Independent Director	Jacinto C. Gavino, Jr.	Filipino
Independent Director	Jose Ben R. Laraya	Filipino
Independent Director	Thomas G. Aquino	Filipino
Corporate Secretary	Ana Maria Margarita A. Katigbak	Filipino
Assistant Corporate Secretary/ Data Protection Officer and Compliance Officer	Jonathan F. Jimenez	Filipino
Chief Investment & Strategy Officer	Antonio Miguel B. Alcantara	Filipino
VP & Group Chief Financial Officer	Alexander Benhur M. Simon	Filipino
Deputy Chief Financial Officer	Philip Edward B. Sagun	Filipino
Internal Auditor	Alexis B. Dela Cuesta	Filipino

In order to implement necessary health protocols consistent with the directives and guidelines of the Department of Health for the protection of its employees and investing public, the Commission hereby suspends the physical inspection of the RS and other papers/documents attached thereto (collectively referred to as “Documents”), as well as providing physical copies thereof to interested parties, until further notice. In lieu thereof, the Commission has adopted an alternative mode viewing and/or downloading the said Documents, and any subsequent amendments thereto by enabling interested parties to access the same through the MSRD corner of the Commission’s website ([www.sec.gov.ph](http://www.sec.gov.ph)) or the Company’s website ([acr.com.ph/filings.php](http://acr.com.ph/filings.php))

**Vicente Graciano Felizmenio Jr.**  
Director