

12 January 2024

SECURITIES AND EXCHANGE COMMISSION

The SEC Headquarters, 7907 Makati Avenue
Salcedo Village, Bel-air, Makati City

Attention: **HON. VICENTE GRACIANO P. FELIZMENIO, JR.**
Director, Markets & Securities Regulation Dept.

THE PHILIPPINE STOCK EXCHANGE, INC.

6th Floor, Philippine Stock Exchange Tower
28th Street corner 5th Avenue Bonifacio Global City, Taguig City

Attention: **MS. FRANCE ALEXANDRA D. TOM WONG**
Head, Disclosure Department

Ladies and Gentlemen:

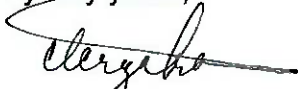
In compliance with the Notice of Approval dated 5 August 2023 of the Philippine Stock Exchange, Inc. ("PSE") and Section III.A.3. of the Supplemental Listing and Disclosure Requirements for Petroleum and Renewable Energy Companies of the PSE, ACEN CORPORATION ("the Company") submits the details of the application of the proceeds made as at 31 December 2023 in connection with the planned use of proceeds from the Company's Preferred Shares Offering, as follows:

**Progress Report on the Application of the Proceeds from the Preferred Shares Offering
As at 31 December 2023**

Preferred Shares Offering Gross Proceeds		₱25,000,000,000.00
Less: Offer expenses		168,016,865.53
Refinancing of short-term bridge loans for Eligible Green Projects		4,000,000,000.00
Financing of Eligible Green Projects		2,450,000,000.00
Balance of Preferred Shares Offering Proceeds as at 30 September 2023		₱18,381,983,134.47
Add: Offer expenses		16,849,946.17
Less: Financing of Eligible Green Projects		
Zambales Solar Projects	2,925,000,000.00	
Pangasinan Solar Project	942,000,000.00	
Palauig 2 Solar Project	1,770,000,000.00	
Cagayan North Solar Project	659,000,000.00	
Isla Wind Project	2,425,000,000.00	8,721,000,000.00
Balance of Preferred Shares Offering Proceeds as at 31 December 2023		₱9,677,833,080.64

Further to our disclosure dated 7 November 2023, the Company is deferring the infusion of ₱850,000,000.00 to the Capa Wind Project following a revision in the project's scheduled capital requirements. The infusion is scheduled for the first half of 2024.

Very truly yours,



MA. CECILIA T. CRUZABRA
Treasurer

AGREED-UPON PROCEDURES REPORT ON THE QUARTERLY PROGRESS REPORT ON THE USE OF PROCEEDS FROM THE PREFERRED SHARES OFFERING

Jonathan P. Back

Group Chief Finance Officer

ACEN CORPORATION

35th Floor, Ayala Triangle Gardens Tower 2,
Paseo de Roxas corner Makati Avenue, Makati City

Purpose of this Agreed-Upon Procedures Report

We have performed the procedures which were agreed to by the ACEN CORPORATION (the Company) and enumerated below with respect to Quarterly Progress Report on the use of Proceeds from the Company's Preferred Shares Offering for the quarter period ended December 31, 2023. Our report is solely for the purpose of assisting the Company in complying with the requirements of Philippine Stock Exchange Inc. (PSEI) relating to the use of proceeds from the Preferred Shares Offering, and this may not be suitable for another purpose.

Restriction on use

This agreed-upon procedures report ("AUP Report") is intended solely for the information and use of the Company and the PSE and is not intended to be and should not be used by anyone else.

Responsibilities of the Company

The Company has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

The Company is responsible for the Subject Matter on which the agreed-upon procedures are performed. The sufficiency of these procedures is solely the responsibility of the Company.

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the Philippine Standard on Related Services (PSRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness or the sufficiency of the agreed-upon procedures described below either for the purpose for which this AUP Report has been requested or for any other purpose.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

In performing the Agreed-Upon Procedures engagement, we complied with the ethical requirements in the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics). We are not required to be independent for the purpose of this engagement. We are the independent auditor of the Company and complied with the independence requirements of the Code of Ethics that apply in context of the financial statement audit.

Our firm applies Philippine Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with the Company in terms of engagement dated December 31, 2023, on the Subject Matter.

1. Obtained the Quarterly Progress Reports on Use of Proceeds from the Company's Preferred Shares Offering as at and for the quarter ended December 31, 2023 (the "Schedule") and mathematically checked the accuracy of the Schedule;
2. Compared the proceeds received in the Schedule to the bank statement and journal voucher noting the date received and amount recorded;
3. Obtained the list of disbursements for the period ended December 31, 2023 and checked its mathematical accuracy.
4. Compared the disbursements in the Schedule to the total amount of disbursements indicated in the list of disbursements for the period ended December 31, 2023;
5. Traced disbursements exceeding ₱1.00 million to the supporting documents such as bank statements, billing statements, invoices, promissory notes, official receipts, subscription agreements and/or debit memos and agree the amount to the accounting records;
6. Inquired into and identified the nature of the disbursements for the quarter ended December 31, 2023. Examined if the disbursements were classified consistently according to its nature based on the schedule of planned use of proceeds from the Preferred Shares Offering.

We report our findings below:

- (a) With respect to item 1, we were able to obtain the Schedule as at and for the quarter ended December 31, 2023 and found to be mathematically correct.
- (b) With respect to item 2, we were able to obtain the bank statements and journal voucher of the proceed received from the Preferred Shares Offering. The amounts recorded agreed with the supporting documents. No exceptions noted.
- (c) With respect to item 3, we were able to obtain the list of disbursements for the quarter ended December 31, 2023 and found to be mathematically correct.
- (d) With respect to item 4, we noted that the total application of proceeds in the schedule agree to the total disbursement per list of disbursement provided. We noted that the Company has already withdrawn ₱850.00 million from the escrow account for the Capa Wind Project. However, the Company is deferring the infusion until the first half of 2024 following a revision in the project's scheduled capital requirements. No exceptions noted.
- (e) With respect to item 5, we obtained and traced the disbursements to the supporting documents such as bank statements and bank debit memos. The amounts recorded agreed with the supporting documents, except for the following difference noted:

	Amount of Disbursement
Per bank statements and bank transaction receipts	₱8,721,889,420
4th quarter disbursement per schedule	8,721,000,000
Difference	₱889,420

Upon further inquiry, we confirmed that the difference came from the Company's internally generated cash which is part of the total infusion to the Zambales Solar Projects. No exceptions noted.

- (f) With respect to item 6, we noted, based on our inquiries, examination of supporting documents such as bank statements and bank debit memos and understanding of the underlying transactions that all the disbursements made for the quarter ended December 31, 2023 as appearing in the Schedule are consistent with the planned use of the proceeds. We also noted the Company reallocated the planned use of proceeds from the offering which was approved by the Company's Board of Directors during their meeting held on November 16, 2023. No exceptions noted.

Explanatory paragraph

The Company is responsible for the source documents that were described in the specified procedures and related findings section. We were not engaged to perform, and we have not performed any procedures other than those previously listed. We have not performed procedures to test the accuracy or completeness of the information provided to us except as indicated in our procedures. Furthermore, we have not performed any procedures with respect to the preparation or verification of any of the source documents. We have no responsibility for the verification of any underlying information upon which we relied in forming our findings.

This AUP report relates only to the Quarterly Progress Report on the use of Proceeds from the Preferred Shares Offering for the quarter period ended December 31, 2023, as specified above and do not extend to the financial statements of the Company, taken as a whole.

We undertake no responsibility to update this AUP Report for events and circumstances occurring after the AUP Report is issued.

SYCIP GORRES VELAYO & CO.



Benjamin N. Villacorte
Partner

CPA Certificate No. 111562

BIR Accreditation No. 08-001998-120-2022, January 20, 2022, valid until January 19, 2025

PTR No. 9566017, January 3, 2023, Makati City

January 12, 2024