

# COVERSHEET

3 1 1 7 1

S. E. C. Registration Number

P E T R O N  
C O R P O R A T I O N  
(Company's Full Name)

S M C H E A D O F F I C E C O M P L E X 4 0 S A N  
M I G U E L A V E M A N D A L U Y O N G C I T Y  
( Business Adress: No. Street City / Town / Province )

ATTY. JHOANNA JASMINE M. JAVIER-ELACIO  
Contact Person

8884-9200  
Company Telephone Number

SEC FORM 17-C

FORM TYPE

1 2

Month

3 1

Day

Fiscal Year

0 5

Month

2 1

Day

Annual Meeting  
(for 2024)

Certificates of Permit to Offer Securities for Sale dated 1994, 1995, 1996, 2010, 2014, 2016, 2018, 2019, 2021 and 2023  
Secondary License Type, if Applicable

Dept. Requiring this Doc.

N/A

Amended Articles Number/Section

143,889 (as of June 30, 2024)

Total No. of Stockholders

Total Amount of Debt Outstanding: P245,390 Million (as of June 30, 2024 - CONSO)

Domestic

Foreign

To be accomplished by SEC Personnel concerned

Fiscal Numer

LCU

Document I. D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

# SECURITIES AND EXCHANGE COMMISSION

## SEC FORM 17-C

### CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. **August 9, 2024**  
Date of Report (Date of earliest event reported)
2. SEC Identification Number **31171** 3. BIR Tax Identification No. **000-168-801**
4. **PETRON CORPORATION**  
Exact name of issuer as specified in its charter
5. **Philippines**  
Province, country or other jurisdiction of incorporation
6.  (SEC Use Only)  
Industry Classification Code:
7. **San Miguel Head Office Complex, 40 San Miguel Avenue, Mandaluyong City** **1550**  
Address of principal office Postal Code
8. **(63 2) 8884-9200**  
Issuer's telephone number, including area code
9. **(None)**  
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
<b>Common Stock</b>	<b>9,375,104,497 Shares</b>
<b>Preferred Stock Series 3A</b>	<b>13,403,000 Shares</b>
<b>Preferred Stock Series 3B</b>	<b>6,597,000 Shares</b>
<b>Preferred Stock Series 4A</b>	<b>5,000,000 Shares</b>
<b>Preferred Stock Series 4B</b>	<b>2,995,000 Shares</b>
<b>Preferred Stock Series 4C</b>	<b>6,005,000 Shares</b>
<b>PCOR Series D Bonds Due 2025</b>	<b>P 6.8 billion</b>
<b>PCOR Series E Bonds Due 2025</b>	<b>P 9.0 billion</b>
<b>PCOR Series F Bonds Due 2027</b>	<b>P 9.0 billion</b>
<b>Total Debt</b>	<b>P 245,390 Million</b> (Consolidated as of June 30, 2024)

11. Indicate the item numbers reported herein: **Item 9**

**Item 9 (Other Events).**


Further to our disclosures dated June 26, 2024 and June 28, 2024, the Company advises that it has received a copy of the Certificate of Filing of the Enabling Resolution issued by the Securities and Exchange Commission in connection with the resolution of the Board of Directors of the Company authorizing the public offer and issuance of up to 13,000,000 Series 4 Preferred Shares with an oversubscription of up to 4,000,000 Series 4 Preferred Shares of the Company as the second tranche to be taken down from the shelf registration rendered effective by the Securities and Exchange Commission under MSRD Order No. 33, Series of 2023. A copy of the Certificate of Filing of Enabling Resolution is attached.

**SIGNATURES**

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**PETRON CORPORATION**  
Issuer

**August 9, 2024**  
Date

  
**JHOANNA JASMINE M. JAVIER-ELACIO**  
Vice President – General Counsel  
and Corporate Secretary





REPUBLIC OF THE PHILIPPINES  
**SECURITIES AND EXCHANGE COMMISSION**

The SEC Headquarters  
7907 Makati Avenue, Salcedo Village,  
Barangay Bel-Air, Makati City, 1209, Metro Manila

COMPANY REG. NO. 31171

**CERTIFICATE OF FILING OF ENABLING RESOLUTION**

**KNOW ALL PERSONS BY THESE PRESENTS:**

THIS IS TO CERTIFY that the Director's Certificate executed on June 26, 2024 by at least a majority of the Board, containing the Enabling Resolution of

**PETRON CORPORATION**

copy annexed, that the corporation be authorized as it is hereby authorized and empowered to issue the second tranche of the Corporation's 50,000,0000 cumulative deferrable, non-voting, non-participating, non-convertible, redeemable, reissuable peso-denominated Perpetual Preferred Shares with a par value of ₱1.00 per share (the "Series 4 Preferred Shares") shelf registration under SEC MSDR Order No. 33, Series 2023; and to offer to the public (the "Offer") up to 13,000,000 Series 4 Preferred Shares with an oversubscription option of up to 4,000,000 Series 4 Preferred Shares (the "Offer Shares") at an Offer Price of ₱1,000.00 per Preferred Share (the "Offer Price") to be listed and traded on the Main Board of The Philippine Stock Exchange, Inc. (the "PSE"); approved by its Board of Directors on June 26, 2024, was filed with this Office and attached to the other papers pertaining to said corporation, pursuant to Section 6 of the Revised Corporation Code of the Philippines (Republic Act No. 11232).

IN WITNESS WHEREOF, I have set my hand and caused the seal of this Commission to be affixed to this Certificate at The SEC Headquarters, 7907 Makati Avenue, Salcedo Village, Barangay Bel-Air, Makati City, 1209, Metro Manila, Philippines, this 8th day of August, Twenty Twenty Four.

  
DANIEL P. GABUYO

Assistant Director  
SO Order 1188 Series of 2018

BA/bds



	Corporate and Partnership Registration Division (CPRD)	
	Green Lane Unit (GL)	
	Financial Analysis and Audit Division (FAAD)	
	Licensing Unit (LU)	
	Compliance Monitoring Division (CMD)	



SEC Main Office  
The SEC Headquarters  
7907 Makati Avenue, Salcedo Village, Barangay Bel-Air, Makati City , 1209

## electronic Official Receipt

### Transaction Details

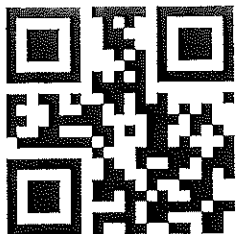
<b>eOR Number</b>	20240806-PM-0100590-69
<b>Transaction Number</b>	20240806121212800110170494785069533
<b>Payment Date</b>	August 06, 2024 10:39 AM
<b>Payment Scheme</b>	gcash
<b>Status</b>	COMPLETED
<b>Payment Status</b>	PAYMENT_SUCCESS

### Payment Assessment Details

<b>PAF No.</b>	20240805-11124125
<b>PAF Date</b>	2024-08-05 20:08:19
<b>Payor Name</b>	PETRON CORPORATION
<b>Payor Address</b>	MANDALUYONG CITY

#	Nature of Collection	Account Code	Amount
1	Amended Articles of Incorporation	4020102000(606)	1,000.00
2	Documentary Stamp Tax	4010401000(4010401)	30.00
3	Legal Research Fee (A0823)	2020105000(131)	10.00
TOTAL			1,040.00

Total amount indicated herein does not include the convenience/service fee of the selected payment channel.



Machine Validation:

VALID UNTIL: SEPTEMBER 19, 2024



Republic of the Philippines

DEPARTMENT OF FINANCE  
SECURITIES AND EXCHANGE COMMISSIONThe SEC Headquarters  
7907 Makati Avenue, Salcedo Village,  
Barangay Bel-Air, Makati City, 1209

## PAYMENT ASSESSMENT FORM

No. 20240805-11124125

DATE 08/05/2024	RESPONSIBILITY CENTER CRMD
PAYOR: PETRON CORPORATION MANDALUYONG CITY	

NATURE OF COLLECTION	QUANTITY	ACCOUNT CODE	AMOUNT
Amended Articles of Incorporation		4020102000 (606)	1,000.00
Legal Research Fee (A0823)		2020105000 (131)	10.00
Documentary Stamp Tax	1	4010401000 (4010401)	30.00
----NOTHING FOLLOWS----			
TOTAL AMOUNT TO BE PAID			Php 1,040.00

Assessed by:  
bearceoAmount in words:  
ONE THOUSAND FORTY PESOS AND 00/100

Remarks:

## PAYMENT OPTIONS

- Online payment thru eSPAYSEC at  
• <https://espaysec.sec.gov.ph>
- Over the Counter Payments at any LandBank branch nationwide

## BREAKDOWN SUMMARY

FUND ACCOUNT	AMOUNT	ACCOUNT #
SEC RCC Current Account	1,000.00	3752-2220-44
SEC BIR - DST	30.00	3752-2220-60
SEC BTR Account - LRF	10.00	3402-2319-20
TOTAL	Php 1,040.00	

## NOTES:

- A. The Payment Assessment Form (PAF) is valid until SEPTEMBER 19, 2024.
- B. Accepted modes of payment at Landbank branches:  
1. Cash 2. Manager's/Cashier's Check payable to the Securities and Exchange Commission
- C. For check payment, please prepare separate Manager's checks per fund account as indicated on the breakdown summary.
- D. For over the counter payment at LandBank:  
1. Print 2 copies of PAF, 1 Client Copy, 1 LandBank copy  
2. Accomplish the onColl Payment slip per fund account as indicated on the breakdown summary.  
Use the correct Fund Account and Account No. and provide the below information:  
• Reference Number 1 - PAF No.  
• Reference Number 2 - Name of Payor appearing on the PAF  
3. Present OnColl Payment Slip, together with the PAF, to the LandBank Teller
- E. You may generate the electronic official receipt (eOR) by visiting <https://espaysec.sec.gov.ph/eor>  
• Payment thru ESPAYSEC – eOR available upon payment  
• LandBank OTC - eOR available within two (2) business days after the payment
- F. ANY ALTERATIONS WILL INVALIDATE THIS FORM

**SECRETARY'S CERTIFICATE**

I, **JHOANNA JASMINE M. JAVIER-ELACIO**, Filipino, of legal age, with office address at San Miguel Corporation Head Office Complex, 40 San Miguel Avenue, Mandaluyong City, after having been duly sworn in accordance with law, do hereby certify that:

1. I am the Corporate Secretary of **PETRON CORPORATION** (the "**Corporation**"), a corporation duly organized and existing under the laws of the Republic of the Philippines, with principal office address at San Miguel Corporation Head Office Complex, 40 San Miguel Avenue, Mandaluyong City.

2. In a resolution approved by the Board of Directors on June 26, 2024, a copy of which is attached herewith as **Annex "A"**, the Board of Directors of the Corporation approved the issuance of the second tranche of the Corporation's 50,000,000 cumulative, deferrable, non-voting, non-participating, non-convertible, redeemable, reissuable peso-denominated Perpetual Preferred Shares with a par value of ₱1.00 per share (the "**Series 4 Preferred Shares**") shelf registration under SEC MSRD Order No. 33, Series of 2023.

3. The Board of Directors of the Corporation likewise approved the offer and sale to the public of up to 13,000,000 Series 4 Preferred Shares with an oversubscription option of up to 4,000,000 Series 4 Preferred Shares (the "**Offer Shares**") at an offer price of ₱1,000.00 per Preferred Share (the "**Offer Price**") to be issued out of the unissued shares of the Corporation, and to be listed and traded on the Main Board of The Philippine Stock Exchange, Inc. (the "**PSE**"). The Board of Directors of the Corporation authorized the Management of the Corporation to negotiate, agree on and approve the final terms and conditions of the Offer Shares.

4. Pursuant to the authorization issued by the Board of Directors, the Management of the Corporation approved and confirmed the offer and sale of the Offer Shares at the Offer Price, under the terms and conditions attached to this resolution as **Annex "B"** (the "**Terms of the Offer Shares**").

5. The dividend rate for the Offer Shares as well as the specific Terms of the Offer Shares indicated as subject to confirmation, shall be subject to approval by the Management of the Corporation after the issuance by the Securities and Exchange Commission of the Permit to Offer and Sell Securities for the Offer Shares and the approval by the PSE of the listing application covering the Offer Shares.

6. The enabling resolution for the second tranche of the 50,000,000 Series 4 Preferred Shares shelf registration of the Corporation as approved by the Board of Directors on June 26, 2024 and the Terms of the Offer Shares as approved by the Management of the Corporation shall form part of the Corporation's latest Amended Articles of Incorporation and Amended By-laws.

7. To the best of my knowledge, no action or proceeding has been filed or is pending before any court involving any intra-corporate dispute and/or a claim by any person or group against the Board of Directors, individual directors and/or corporate officers of the Corporation as its duly elected and appointed directors or officers or vice versa.

8. I am executing the foregoing certification pursuant to the requirements of the Securities and Exchange Commission for the application of the Corporation for a certificate of filing of enabling resolution.

*[This portion is left intentionally blank. Signature page follows.]*




IN WITNESS WHEREOF, I have hereunto set my hands on 04 July 2024 in Mandaluyong City, Metro Manila.

  
JOHANNA JASMINE M. JAVIER-ELACIO  
Corporate Secretary

SUBSCRIBED AND SWORN to before me this 04 July 2024 at Mandaluyong City, Metro Manila, affiant exhibited to me her Passport No. P5960067B issued on 16 December 2020 at DFA Antipolo.

Doc. No. 523;  
Page No. 100;  
Book No. 11;  
Series of 2024.

  
DENISE S. DY-FLORES  
Notary Public for Mandaluyong City  
40 San Miguel Avenue, 1550 Mandaluyong City  
Appointment No. 0674-23  
Until December 31, 2024  
Attorney's Roll No. 57316  
PTR No. 5420855 / 01-03-2024 / Mandaluyong City  
IBP Lifetime Member No. 10411 / Quezon City  
MCLE Exemption No. VII-CL005102 / 02-03-2023

REPUBLIC OF THE PHILIPPINES )  
 MANDALUYONG CITY, METRO MANILA ) S.S.



### DIRECTOR'S CERTIFICATE

We, the undersigned incumbent directors of **PETRON CORPORATION** (the "**Corporation**"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at San Miguel Corporation Head Office Complex, 40 San Miguel Avenue, Mandaluyong City, after having been duly sworn in accordance with law, hereby certify that at the duly constituted meeting of the Board of Directors of the Corporation held on **[26 June 2024]**, at which a quorum was present and acted throughout, the following resolutions were passed and approved:

**"RESOLVED, AS IT IS HEREBY RESOLVED,** that the Corporation be authorized, as it is hereby authorized and empowered to issue the second tranche of the Corporation's 50,000,000 cumulative, deferrable, non-voting, non-participating, non-convertible, redeemable, reissuable peso-denominated Perpetual Preferred Shares with a par value of ₱1.00 per share (the **"Series 4 Preferred Shares"**) shelf registration under SEC MSRD Order No. 33, Series of 2023;

**"RESOLVED FURTHER,** that the Corporation be authorized to offer to the public (the **"Offer"**) up to 13,000,000 Series 4 Preferred Shares with an oversubscription option of up to 4,000,000 Series 4 Preferred Shares (the **"Offer Shares"**) at an Offer Price of ₱1,000.00 per Preferred Share (the **"Offer Price"**) to be listed and traded on the Main Board of The Philippine Stock Exchange, Inc. (the **"PSE"**);

**"RESOLVED FURTHER,** that the Management of the Corporation be authorized to determine such other terms and conditions of the Offer Shares as may be advantageous to the Corporation and in accordance with the scope of authority by the Board;

**"RESOLVED, FURTHER,** that the Corporation, through Management, be authorized to do the following acts:

- (a) preparation, filing and submission of a (i) Registration Statement; and (ii) the Offer Supplement for the offering of the Offer Shares, as may be required by the Securities and Exchange Commission (the **"SEC"**);
- (b) filing and submission of a listing application with the PSE;
- (c) signing, execution, and delivery of any and all documents, contracts, agreements and instruments as may be required or necessary in connection with the registration with the SEC, the listing with the PSE, and the public offering of the Offer Shares;

- (d) engagement of underwriters, advisors, legal counsels, and other agents as may be necessary, proper or desirable to effect and implement the registration with the SEC, the listing with the PSE, and the offer for sale, to the public and investors, of the Offer Shares, under such terms and conditions as Management may deem to be fair and reasonable in the best interest of the Corporation;
- (e) approval of all the disclosures contained in the Registration Statement and the Offer Supplement to be filed with the SEC, and assumption of full responsibility for the information contained therein;

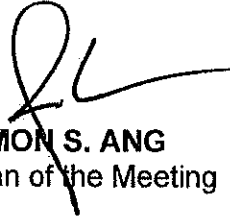
**“RESOLVED FINALLY**, any two (2) of the following authorized signatories are designated and authorized to sign, execute and deliver, for and on behalf of the Corporation, all applications, registration forms, deeds, documents, contracts, agreements and instruments, and to perform such further acts and deeds and may be necessary, convenient or appropriate, to give force and effect to the foregoing resolutions:

- (a) Mr. Ramon S. Ang – President and Chief Executive Officer
- (b) Mr. Lubin B. Nepomuceno – General Manager
- (c) Mr. Emmanuel E. Eraña – Senior Vice President and Chief Finance Officer
- (d) Mr. Albertito S. Sarte – Deputy Chief Financial Officer and Treasurer
- (e) Ms. Myrna C. Geronimo – Vice President and Controller

[SIGNATURE PAGE FOLLOWS]



IN WITNESS WHEREOF, we have hereunto set our hands this  
JUN 26 2024 in MANDALUYONG CITY, Metro Manila.



**RAMON S. ANG**  
Chairman of the Meeting



**LUBIN B. NEPOMUCENO**  
Director



**JOHN PAUL L. ANG**  
Director



**JOSE P. DE JESUS**  
Director



**FRANCIS H. JARDELEZA**  
Director




**HORACIO C. RAMOS**  
Director



**ESTELITO P. MENDOZA**  
Director



**NELLY FAVIS-VILLAFUERTE**  
Director



**ARTEMIO V. PANGANIBAN**  
Independent Director



**MARGARITO B. TEVES**  
Independent Director



**RICARDO C. MARQUEZ**  
Independent Director



REPUBLIC OF THE PHILIPPINES )  
MANDALUYONG CITY, METRO MANILA ) S.S.

BEFORE ME, a Notary Public for and in **MANDALUYONG CITY**, this  
JUN 26 2024 personally appeared the following:

Name	Government ID	Expiration Date, Place Issued
Ramon S. Ang	Passport No. P2247867B	May 21, 2029; DFA- Manila
Lubin B. Nepomuceno	Passport No. P6495754B	March 15, 2031; DFA NCR East
John Paul L. Ang	P2247864B	May 20, 2019; DFA Manila
Estelito P. Mendoza	Passport No. PO446170B	January 28, 2029; DFA Manila
Jose P. De Jesus	Unified Multi-Purpose ID No. CRN-0003- 0057075-4	
Francis H. Jardeleza	Passport No. P8600499B	December 28, 2031; DFA Manila
Nelly Favis-Villafuerte	Passport No. P4489958B	January 21, 2030; DFA Manila
Horacio C. Ramos	Passport No. P4697855B	February 5, 2030; DFA NCR East
Margarito B. Teves	Passport No. P4425969B	January 16, 2030; DFA NCR South
Artemio V. Panganiban	Passport No. PO388884B	January 23, 2029; DFA Manila
Ricardo C. Marquez	Passport No. P8150038B	November 11, 2031; DFA Manila

known to me and to me known to be the same persons who executed the foregoing certificate consisting of four (4) pages including this page, signed by the parties, having acknowledged to me that the same are their free and voluntary act and deed.

Doc No. 195 ;  
Page No. 40 ;  
Book No. III ;  
Series of 2024.

**MARIA CRISTELA T. TORCUATOR**  
Notary Public for Mandaluyong City  
40 San Miguel Avenue, 1550 Mandaluyong City  
Appointment No. 0582-23  
Until December 31, 2024  
Attorney's Roll No. 71094  
PTR No. 5420853 /01-03-2024/ Mandaluyong  
IBP No. 381617 /01-03-2024/ RSM  
MCLE Compliance No. VII-0014988/06-17-2022



## PETRON CORPORATION

Offer in the Philippines of  
 [up to] 13,000,000 Series 4 Preferred Shares  
 with Oversubscription Option of up to 4,000,000 Series 4 Preferred Shares  
 Under its 50,000,000 Series 4 Preferred Shares Shelf Registration

consisting of  
 Series 4D Preferred Shares (PRF4D):(•)  
 Series 4E Preferred Shares (PRF4E):(•)  
 at an Offer Price of ₱1,000.00 per Preferred Share  
 to be listed and traded on the  
 Main Board of The Philippine Stock Exchange, Inc.

Issuer	Petron Corporation
Instrument	Perpetual, cumulative, deferrable, non-voting, non-participating, non-convertible, reissuable Philippine Peso-denominated SEC-registered preferred shares ("Offer Shares")
Offer Size	<p>₱13.0 Billion with an Oversubscription Option of up to ₱4.0 Billion.</p> <p>Up to 13,000,000 Offer Shares (subject to the Oversubscription Option as provided below), to be issued in two (2) subseries: Series 4D Preferred Shares and Series 4E Preferred Shares.</p> <p>The Offer Shares will be issued out of the unissued shares of the Company.</p> <p>The Issuer, in consultation with the Joint Lead Underwriters and Joint Bookrunners, has the discretion to allocate the principal amount of the Offer between the two subseries based on the results of the book building process.</p>
Oversubscription Option	In the event of an oversubscription, the Joint Lead Underwriters and Joint Bookrunners, in consultation with the Issuer, reserve the right, but do not have the obligation, to increase the Offer Size by up to 4,000,000 Offer Shares, subject to the applicable requirements of

	the SEC.
Registration and Listing	To be registered with the SEC and listed on the Main Board of the PSE, subject to compliance with SEC regulations and PSE listing rules. Upon listing, the Series 4D Preferred Shares and Series 4E Preferred Shares shall be traded under the symbols "PRF4D" and "PRF4E", respectively.
Use of Proceeds	The net proceeds of the Offer shall be used to redeem the Series 3A Preferred Shares, refinance maturing obligations, and fund general corporate purposes, including the purchase of crude oil inventory.
Par Value	The Offer Shares shall have a par value of ₱1.00 per share.
Offer Price	The Offer Shares shall be offered at a price of ₱1,000.00 per share.
Offer Period	The Offer Period shall commence at [9:00 a.m.] on [•] 2024 and end at [12:00 noon] on [•] 2024. The Issuer, the Sole Issue Manager, and the Joint Lead Underwriters and Bookrunners reserve the right to extend or terminate the Offer Period with the approvals of the SEC and the PSE, as applicable.
Listing Date	On [•], or such other date when the Offer Shares are listed in the Main Board of the PSE.
Dividend Rate	<p>As and if cash dividends are declared by the Board of Directors, cash dividends on the Offer Shares shall be at the fixed rate of:</p> <ul style="list-style-type: none"> <li>•Series 4D Preferred Shares: [•]% per annum;</li> <li>•Series 4E Preferred Shares: [•]% per annum;</li> </ul> <p>in all cases calculated for each share by reference to the Offer Price thereof in respect of each Dividend Period (each, the "<b>Initial Dividend Rate</b>" for the relevant series).</p> <p>Dividend Rate means (a) from the Listing Date up to the Step-Up Date, the Initial Dividend Rate, and (b) from the Step-Up Date until the date the Offer Shares are redeemed, the higher of the Initial Dividend Rate and the Step-Up Dividend Rate. (Please see below relevant definitions.)</p>
Dividend Payment Dates	Cash Dividends will be payable starting [•], and every [•] of each year, each a " <b>Dividend Payment Date</b> ", being the last day of each 3-month period (a " <b>Dividend Period</b> ") following the Listing Date, as and if declared by the Board of Directors in accordance with the terms and



	<p>conditions of the Offer Shares.</p> <p>The dividends on the Offer Shares will be calculated on a 30/360-day basis.</p> <p>If the Dividend Payment Date is not a Business Day, dividends will be paid on the next succeeding Business Day, without adjustment as to the amount of dividends to be paid.</p>
Conditions on Declaration and Payment of Cash Dividends	<p>The declaration and payment of cash dividends for each Dividend Period will be subject to the sole and absolute discretion of the Board of Directors of the Issuer, to the extent permitted by applicable laws and regulations, and the covenants (financial or otherwise) in the agreements to which the Issuer is a party. The Board of Directors will not declare and pay dividends for any Dividend Period where payment of such dividends would cause the Issuer to breach any of its covenants (financial or otherwise).</p> <p>If in the opinion of the Board of Directors, the Company will not be in a position to pay in full the dividends on the Offer Shares and the dividends or distributions on any Parity Securities falling due within a six (6)-month period from any Dividend Payment Date, after paying in full an amount equal to all dividends or distributions scheduled to be paid on or before that dividend or distribution payment date on any securities with a right to dividends or distributions ranking in priority to that of the Offer Shares, the Company shall either (a) not declare the dividends on the Offer Shares and defer the payment of such dividends or distributions on any Parity Securities, or (b) pay such dividends on the Offer Shares and the dividends or distributions on any Parity Securities <i>pro rata</i> to the amount of the dividends or distributions scheduled to be paid to them within the said period. The amount scheduled to be paid will include the amount of any dividend or distribution due and payable within the said period and any arrears on past cumulative dividends or any deferred distributions.</p>
Optional Redemption and Purchase	<p>As and if approved by the Board of Directors (or the Executive Committee), the Company may redeem in whole (but not in part), any subseries of the Offer Shares as follows:</p> <ul style="list-style-type: none"> <li>a. in respect of Series 4D Preferred Shares, on the 3<sup>rd</sup> Anniversary of the Issue Date, or on any Dividend Payment Date thereafter; and</li> <li>b. in respect of Series 4E Preferred Shares, on the 5<sup>th</sup> Anniversary of the Issue Date or on any Dividend Payment thereafter,</li> </ul> <p>The Issuer shall notify the shareholders of the redemption through the PSE Electronic Disclosure</p>

Generation Technology ("**PSE EDGE**") at least ten (10) Trading Days but no more than sixty (60) days' notice prior to the intended date of redemption (the "**Notice of Redemption**"). The redemption price shall be equal to the Offer Price of the Offer Shares plus all dividends due them on the actual date of redemption as well as all accumulated dividends due and payable, or Arrears of Dividends after deduction of transfer costs customarily chargeable to stockholders, as applicable, to effect the redemption (the "**Redemption Price**"). The Redemption Notice shall be deemed irrevocable upon issuance thereof. The Redemption Notice shall include the record date for purposes of determining the entitlement of shareholders to receive the Redemption Price. Upon disclosure of the Redemption Notice, the Issuer shall likewise request for the voluntary trading suspension of the Series 4D Preferred Shares or Series 4E Preferred Shares (as appropriate) until the indicated redemption date.

For the avoidance of doubt, on the applicable Optional Redemption Date, the Issuer has the option to redeem, in whole but not in part, any, some, or all of the subseries.

In the event an Optional Redemption Date which the Issuer has chosen as the date to redeem any, some, or all of the subseries falls on a day that is not a Business Day, the redemption shall be made on the next succeeding day that is a Business Day, without adjustment as to the Redemption Price and the amount of dividends to be paid.

The Issuer shall likewise have the option to redeem, in whole but not in part, any, some, or all of the subseries (a) in the event payments in respect of the Offer Shares become subject to additional withholding or any new tax as a result of certain changes in law, rule or regulation, or in the interpretation thereof, and such tax cannot be avoided by use of reasonable measures available to the Issuer; or (b) in the event an opinion of a recognized accountancy firm authorized to perform auditing services in the Republic of the Philippines has been delivered to the Issuer stating that the Offer Shares may no longer be recorded as equity in the audited consolidated financial statements of the Issuer prepared in accordance with Philippine Financial Reporting Standards ("**PFRS**"), or such other accounting standards which succeed PFRS as adopted by the Issuer for the preparation of its audited consolidated financial statements for the relevant financial year, and such event cannot be avoided by use of reasonable measures available to the Issuer.

Upon listing on the PSE, the Company reserves the right to purchase the Offer Shares at any time in the open market or by public tender or by private contract at any price through the PSE without any obligation to purchase

	<p>or redeem the other Series 4 Preferred Shares. The Offer Shares so purchased may either be redeemed (pursuant to their terms and conditions as set out in the Offer Supplement) and cancelled or kept as treasury shares, as applicable.</p>
Step-Up Dividend Rate	<p>Unless the Offer Shares shall have been redeemed by the Company as follows:</p> <ul style="list-style-type: none"> <li>a. in respect of Series 4D Preferred Shares, on the 5<sup>th</sup> anniversary of the Listing Date (the "<b>Series 4D Step-Up Date</b>"); and</li> <li>b. in respect of Series 4E Preferred Shares, on the 7<sup>th</sup> anniversary of the Listing Date (the "<b>Series 4E Step-Up Date</b>").</li> </ul> <p>(each, referred to as a "<b>Step-Up Date</b>"), the Initial Dividend Rate shall be adjusted as follows:</p> <ul style="list-style-type: none"> <li>i. for Series 4D Preferred Shares, the higher of the (a) applicable Initial Dividend Rate; or (b) the simple average of the closing per annum rate of the 7-year BVAL (or if the 7-year BVAL is not available or cannot be determined, any successor rate as determined by the Bankers Association of the Philippines ("<b>BAP</b>") or the <i>Bangko Sentral ng Pilipinas</i> ("<b>BSP</b>"), as published on the website of the Philippine Dealing System Group or, if unavailable, the PDEX page of Bloomberg (or such successor website or page of the publication agent or electronic service provider) for the three (3) consecutive Business Days preceding and inclusive of the Series 4D Step-Up Date, plus 3.25%; and</li> <li>ii. for Series 4E Preferred Shares, the higher of the (a) applicable Initial Dividend Rate; or (b) the simple average of the closing per annum rate of the 10-year BVAL (or if the 10-year BVAL is not available or cannot be determined, any successor rate as determined by the BAP or the BSP), as published on the website of the Philippine Dealing System Group or, if unavailable, the PDEX page of Bloomberg (or such successor website or page of the publication agent or electronic service provider) for the three (3) consecutive Business Days preceding and inclusive of the Series 4E Step-Up Date, plus 3.25%;</li> </ul> <p>(The date of the listing of the Series 4D Preferred Shares and the Series 4E Preferred Shares is referred to as the "<b>Listing Date</b>". The adjusted rates referred to in (i) and (ii) are each referred to as a "<b>Step-Up Dividend Rate</b>".)</p>



	<p>However, if the Initial Dividend Rate is higher than the applicable Step-Up Dividend Rate, there shall be no adjustment on the Dividend Rate, and the Initial Dividend Rate shall continue to be the Dividend Rate.</p> <p>In the event the relevant Step-Up Date falls on a day that is not a Business Day,</p> <ol style="list-style-type: none"> <li>the rate setting will be done on the immediately succeeding Business Day using the average of the relevant BVAL rates for the three (3) consecutive Business Days preceding and inclusive of the said rate setting date, and</li> <li>the higher of the applicable Initial Dividend Rate and the applicable Step-Up Dividend Rate will be applied commencing on the Step-Up Date (which is the 5<sup>th</sup> anniversary date of the Series 4D Preferred Shares and the 7<sup>th</sup> anniversary of the Series 4E Preferred Shares).</li> </ol> <p>In the event that BVAL is replaced by a new benchmark rate as determined by the BAP or the BSP, such new benchmark rate shall be adopted for purposes of determining the Dividend Rate (the "<b>New Benchmark Rate</b>"). In the absence of such new replacement benchmark rate as determined by the BAP or the BSP and there is a mandatory directive by the BAP or the BSP to no longer use or apply BVAL, the Company and the Joint Lead Underwriters and Joint Bookrunners shall negotiate to adopt an alternative rate that will serve as the New Benchmark Rate.</p>
No Sinking Fund	<p>The Company is not legally required, has not established, and currently has no plans to establish, a sinking fund for the redemption of the Offer Shares.</p>
Taxation	<p>All payments in respect of the Offer Shares are to be made free and clear of any deductions or withholding for or on account of any present or future taxes or duties imposed by or on behalf of the Philippine Government, including, but not limited to, stamp, issue, registration, documentary, value added or any similar tax or other taxes and duties, including interest and penalties. If such taxes or duties are imposed, the Company will pay additional amounts so that holders of the Offer Shares will receive the full amount of the relevant payment which otherwise would have been due and payable. Provided, however, that the Company shall not be liable for, and the foregoing payment undertaking of the Company shall not apply to:</p> <ol style="list-style-type: none"> <li>any withholding tax applicable on dividends earned by or on any amounts payable to the holders of the Offer Shares, including any</li> </ol>

	<p>additional tax on such dividends imposed by changes in law, rule, or regulation;</p> <p>b. any income tax (whether or not subject to withholding), percentage tax (such as stock transaction tax), documentary stamp tax or other applicable taxes on the redemption of the Offer Shares or on the liquidating distributions as may be received by a holder of Offer Shares;</p> <p>c. any expanded value added tax which may be payable by any holder of the Offer Shares on any amount to be received from the Company under the terms and conditions of the Offer Shares;</p> <p>d. any withholding tax, including any additional tax imposed by changes in law, rule, or regulation, on any dividends payable to any holder of Offer Shares or any entity which is a non-resident foreign corporation; and</p> <p>e. any applicable taxes on any subsequent sale or transfer of the Offer Shares by any holder of the Offer Shares which shall be for the account of the said holder (or the buyer in case such buyer shall have agreed to be responsible for the payment of such taxes).</p> <p>All sums payable by the Company to tax-exempt entities shall be paid in full without deductions for taxes, duties, assessments or governmental charges provided said entities present sufficient proof of such tax-exempt status from the tax authorities.</p> <p>Documentary stamp tax and all other costs and expenses for the issuance of the Offer Shares and the documentation, if any, shall be for the account of the Company.</p>
Redemption by reason of a Tax Event	<p>In the event payments in respect of the Offer Shares become subject to additional withholding or any new tax as a result of certain changes in law, rule or regulation, or in the interpretation thereof, and such tax cannot be avoided by use of reasonable measures available to the Issuer, the Issuer having given not more than 60 nor less than 30 days' written notice, may redeem the Offer Shares at any time in whole but not in part, at the Redemption Price; provided that if the Tax Event is specific to a subseries, then the foregoing optional redemption may be exercised only with respect to such subseries. See <i>"Summary of the Offering"</i> and <i>"Description of the Offer Shares"</i> of the Offer Supplement.</p>

<p>Redemption by reason of an Accounting Event</p>	<p>In the event an opinion of a recognized accountancy firm authorized to perform auditing services in the Republic of the Philippines has been delivered to the Issuer stating that the Offer Shares may no longer be recorded as equity in the audited consolidated financial statements of the Issuer prepared in accordance with PFRS, or such other accounting standards which succeed PFRS as adopted by the Issuer for the preparation of its audited consolidated financial statements for the relevant financial year, and such event cannot be avoided by use of reasonable measures available to the Issuer, the Issuer having given not more than 60 nor less than 30 days' written notice, may redeem the Offer Shares in whole, but not in part at the Redemption Price; provided that if the Accounting Event is specific to a subseries, then the foregoing optional redemption may be exercised only with respect to such subseries. See "<i>Summary of the Offering</i>" and "<i>Description of the Offer Shares</i>" of the Offer Supplement.</p>
<p>Form, Title and Registration of the Offer Shares</p>	<p>The Offer Shares shall be in scripless form through the electronic book-entry system of SMC Stock Transfer Service Corporation as Registrar for the Offer and lodged with PDTC as Depository Agent not later than the Listing Date through PSE Trading Participants nominated by the accepted Applicants. For this purpose, Applicants shall indicate in the proper space provided for in the Application to Purchase forms that will be issued and circulated in connection with the Offer (together with the required documents), the name of the PSE trading participants under whose name their shares will be registered.</p> <p>After the Listing Date, holders of the Offer Shares (the "<b>Shareholders</b>") may request their nominated PSE Trading Participants to facilitate the conversion of their scripless Offer Shares into stock certificates. Any expense that will be incurred in relation to such issuance of stock certificates shall be for the account of the requesting Shareholder.</p> <p>Legal title to the Offer Shares will be shown in an electronic register of shareholders (the "<b>Registry of Shareholders</b>") which shall be maintained by the Registrar. The Registrar shall send a transaction confirmation advice confirming every receipt or transfer of the Offer Shares that is effected in the Registry of Shareholders (at the cost of the requesting shareholder). The Registrar shall send (at the cost of the Company) at least once every quarter a Statement of Account to all shareholders named in the Registry of Shareholders, except certificated shareholders and Depository Participants, confirming the number of Offer Shares held by each Shareholder on record in the Registry of Shareholders. Such Statement of Account shall serve as evidence of ownership of the relevant Shareholder as of</p>

	the given date thereof. Any request by a Shareholder for certifications, reports or other documents from the Registrar, except as provided herein, shall be for the account of the requesting Shareholder.
Selling and Transfer Restrictions	Initial placement and subsequent transfers of interests in the Offer Shares shall be subject to normal selling restrictions for listed securities as may prevail in the Philippines from time to time.
Governing Law	The Offer Shares shall be offered under and governed by the laws of the Republic of the Philippines.
<b>Features of the Offer Shares</b>	
Status	<p>The Offer Shares will constitute the direct and unsecured subordinated obligations of the Company ranking at least <i>pari passu</i> in all respects and ratably without preference or priority among themselves.</p> <p>The Offer Shares will be subordinated to the US\$550 million Senior Perpetual Capital Securities of the Company issued in 2021 ("<b>Capital Securities</b>"), and any Senior Capital Securities that may be issued by the Company.</p> <p>The obligations of the Company in respect of the Offer Shares will, in the event of the winding-up of the Company (subject to and to the extent permitted by applicable law), rank:</p> <ul style="list-style-type: none"> <li>a. junior to all unsubordinated obligations of the Company (other than Parity Securities) and any obligation assumed by the Company under any guarantee of, or any indemnity in respect of, any obligation or commitment which rank or are expressed to rank senior to the Offer Shares;</li> <li>b. <i>pari passu</i> with each other and with any Parity Securities of the Company; and</li> <li>c. senior only to the Company's Junior Securities (as defined below).</li> </ul> <p>"<b>Parity Securities</b>" means: (i) any instrument, security (including preferred shares) or obligation issued or entered into by the Company which ranks, or is expressed to rank, by its terms or by operation of law, <i>pari passu</i> with the Series 4 Preferred Shares; (ii) any security guaranteed by, or subject to the benefit of an indemnity entered into by, the Company where the Company's obligations under the relevant guarantee or indemnity rank, or are expressed to rank, <i>pari passu</i> with the Company's obligations under the Series 4 Preferred Shares; and (iii) the Outstanding Series 4 Preferred Shares of the Company issued and outstanding as of the</p>

	<p>Listing Date.</p> <p><b>"Junior Securities"</b> means (i) the common shares of the Company; (ii) any instrument, security or obligation issued or entered into by the Company which ranks, or is expressed to rank, junior to the Series 4 Preferred Shares; and (iii) any security guaranteed by, or subject to the benefit of an indemnity entered into by, the Company where the Company's obligations under the relevant guarantee or indemnity rank, or are expressed to rank, junior to the Company's obligations under the Series 4 Preferred Shares.</p> <p>The Company is at liberty from time to time without the consent of the holders of the Series 4 Preferred Shares to create and issue additional preferred shares or securities either (a) ranking at least <i>pari passu</i> in all respects with the Series 4 Preferred Shares, or (b) upon such terms as to ranking, distributions, conversion, redemption and otherwise as the Company may determine at the time of the issue.</p>
Dividend Cumulative	<p>Dividends on the Offer Shares will be cumulative. If for any reason the Board of Directors of the Company does not declare dividends on the Offer Shares for a Dividend Period, the Company will not pay dividends on the Dividend Payment Date for that Dividend Period. However, on any future Dividend Payment Date on which dividends are declared, Shareholders of the Offer Shares must receive the dividends due them on such Dividend Payment Date as well as any dividends in which the declaration and/or payment have been deferred, in respect of prior Dividend Periods (the "<b>Arrears of Dividends</b>").</p> <p>Shareholders of the Offer Shares shall not be entitled to participate in any other or further dividends beyond the dividends specifically payable on the Offer Shares.</p> <p>The Company covenants that, in the event (for any reason):</p> <ul style="list-style-type: none"> <li>a. any dividends due with respect to any Offer Shares then outstanding for any period are not declared and paid in full when due;</li> <li>b. where there remains Arrears of Dividends; or</li> <li>c. any other amounts payable in respect of the Offer Shares are not paid in full when due,</li> </ul> <p>then the Company will not:</p> <ul style="list-style-type: none"> <li>a. declare or pay any dividends or other distributions in respect of Parity Securities and Junior Securities (unless such declaration or</li> </ul>



	<p>payment of dividends or distributions in respect of Parity Securities shall be in accordance with "<b>Conditions on Declaration and Payment of Cash Dividends</b>"), or</p> <p>b. repurchase or redeem any Parity Securities or Junior Securities (or contribute any moneys to a sinking fund for the redemption of any Parity Securities or Junior Securities),</p> <p>until any and all amounts described in (a), (b) and (c) have been paid to the Shareholders.</p>
No Voting Rights	Shareholders shall not be entitled to vote at the Company's stockholders' meetings, except as otherwise provided by law.
Non-Participating	Shareholders shall not be entitled to participate in any other or future dividends beyond the dividends specifically payable on the Offer Shares.
Non-Convertible	Shareholders shall have no right to convert the Offer Shares to any other preferred shares or common shares of the Company.
No Pre-emptive Rights	Shareholders shall have no pre-emptive rights to subscribe to any shares (including, without limitation, treasury shares) that will be issued or sold by the Company.
Liquidation Rights	<p>In the event of a return of capital in respect of the Company's winding up or otherwise (whether voluntarily or involuntarily) but not on a redemption or purchase by the Company of any of its share capital, the Shareholders at the time outstanding will be entitled to receive, in Philippine Pesos out of the assets of the Company available for distribution to shareholders, together with the holders of any other securities of the Company ranking, as regards repayment of capital, <i>pari passu</i> with the Series 4 Preferred Shares and before any distribution of assets is made to holders of any class of the securities of the Company ranking after the Series 4 Preferred Shares as regards repayment of capital, liquidating distributions in an amount equal to the Offer Price of the Series 4 Preferred Shares plus an amount equal to any dividends declared but unpaid in respect of the previous dividend period and any accrued and unpaid dividends for the then current dividend period to (and including) the date of commencement of the winding up of the Company or the date of any such other return of capital, as the case may be. If, upon any return of capital in the winding up of the Company, the amount payable with respect to the Series 4 Preferred Shares and any other securities of the Company ranking as to any such distribution <i>pari passu</i> with the Series 4 Preferred Shares is not paid in full, the holders of the</p>

	<p>Series 4 Preferred Shares and of such other securities will share ratably in any such distribution of the assets of the Company in proportion to the full respective preferential amounts to which they are entitled. After payment of the full amount of the liquidating distribution to which they are entitled, the holders of the Series 4 Preferred Shares will have no right or claim to any of the remaining assets of the Company and will not be entitled to any further participation or return of capital in a winding up.</p>
Perpetual	<p>The Offer Shares are perpetual and have no fixed final maturity date.</p>
Reissuable	<p>Upon redemption, the Offer Shares shall not be retired but may be reissued under such terms and conditions and procedure as may be determined by the Board of Directors or the Executive Committee (when so delegated to it by the Board of Directors).</p>
<b>Other Terms of the Offer</b>	
Minimum Subscription to the Offer Shares	<p>Each Application shall be for a minimum of 50 Offer Shares, and thereafter, in multiples of 10 Offer Shares. No Application for multiples of any other number of Offer Shares will be considered.</p>
Eligible Investors	<p>Any natural person of legal age, or any corporation, association, partnership, trust account, fund or entity, regardless of nationality, subject to the Company's right to reject an application or reduce the number of Offer Shares applied for subscription or purchase if the same will cause the Company to be in breach of the Philippine ownership requirements under relevant Philippine laws. In addition, under certain circumstances, the Issuer may reject an application or reduce the number of Offer Shares applied for subscription.</p> <p>Law may restrict subscription to the Offer Shares in certain jurisdictions. Foreign investors interested in subscribing to or purchasing the Offer Shares should inform themselves of the applicable legal requirements under the laws and regulations of the countries of their nationality, residence or domicile, and as to any relevant tax or foreign exchange control laws and regulations affecting them personally. Foreign investors, both corporate and individual, warrant that their purchase of the Offer Shares will not violate the laws of their jurisdiction and that they are allowed to acquire, purchase and hold the Offer Shares. For more information relating to restrictions on the ownership of the Offer Shares, see <i>"Regulatory and Environmental Matters"</i>.</p>

<p>Procedure for Application</p>	<p>Applications to Purchase may be obtained from any of the Joint Lead Underwriters and Joint Bookrunners or Selling Agents. All Applications shall be evidenced by the Application to Purchase, duly executed in each case by the Applicant or an authorized signatory of the Applicant and accompanied by two completed specimen signature cards, the corresponding payment for the Offer Shares covered by the Application to Purchase and all other required documents including documents required for registry with the Registrar and Depository Agent (the "<b>Application</b>"). The duly executed Application to Purchase and required documents should be submitted to the Joint Lead Underwriters and Joint Bookrunners or Selling Agents on or prior to set deadlines for submission of Applications. If the Applicant is a corporation, partnership, or trust account, the Application must be accompanied by the following documents:</p> <ul style="list-style-type: none"> <li>a. a certified true copy of the Applicant's latest articles of incorporation and by-laws, general information sheet or equivalent constitutive documents, each as amended to date, duly certified by the corporate secretary (or equivalent officer);</li> <li>b. a certified true copy of the Applicant's SEC certificate of registration, duly certified by the corporate secretary (or equivalent officer);</li> <li>c. a duly notarized corporate secretary's certificate setting forth the resolution of the Applicant's board of directors or equivalent body authorizing (i) the purchase of the Offer Shares indicated in the Application and (ii) the designated signatories authorized for the purpose, including their respective specimen signatures; and</li> <li>d. government-issued identification document(s) ("<b>ID</b>") of each of the authorized signatory/ies, certified as true copy by the Applicant's corporate secretary (or equivalent officer).</li> </ul> <p>For individual Applicants, each must also submit a photocopy of any one of the following <b>IDs</b>: passport/driver's license, company ID, Social Security System/Government Service and Insurance System ID and/or Senior Citizen's ID or such other ID and documents as may be required in relevant documents or acceptable to the Issuer.</p> <p>An Applicant who is exempt from or is not subject to withholding tax or who claims reduced tax treaty rates must also submit the documents described on page 54 of the Offer Supplement.</p>
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<p>Payment for the Offer Shares</p>	<p>The Offer Shares must be paid for in full upon submission of the Application. The purchase price must be paid in full in Pesos upon the submission of the duly completed and signed Application to Purchase and specimen signature card together with the requisite attachments. Any and all bank charges, remittance fees, and all relative charges and fees shall be for the account of the Applicant.</p> <p>Payment for the Offer Shares shall be made by manager's check/cashier's check, corporate check or personal check drawn against any <i>Bangko Sentral ng Pilipinas</i> authorized bank or any branch thereof. All checks should be made payable to "Petron Preferred Shares Offer", crossed "Payee's Account Only," and dated on or before the date as the Application. The Applications and the related payments will be received at any of the offices of the Joint Lead Underwriters and Joint Bookrunners or Selling Agents. Applicants submitting their Application to a Joint Lead Underwriter and Joint Bookrunner may also remit payment for their Offer Shares through the Real Time Gross Settlement ("<b>RTGS</b>") facility of the BSP to the Joint Lead Underwriter and Joint Bookrunner to whom such Application was submitted or via direct debit to their deposit account maintained with such Joint Lead Underwriter and Joint Bookrunner. Cash payments shall not be accepted.</p> <p>Should the Applicant elect to pay through RTGS, the Application should be accompanied by an instruction issued by the Applicant to effect payment through RTGS in an amount equal to the total Offer Price of the Offer Shares applied for, to be effected and fully funded not later than 12:00 noon on [•].</p> <p>Should the Applicant elect to pay by a debit memo or instruction, the Application should be accompanied by a debit memo or instruction issued by the Applicant in an amount equal to the total Offer Price applied for in favor of the Joint Lead Underwriter and Joint Bookrunner to whom the Application is submitted, to be effected no later than 12:00 noon on [•].</p> <p>For more details on the procedures for the application to the Offer, please refer to the Company's LSI Guidelines and TP Guidelines which will be published on the PSE EDGE website prior to the start of the Offer Period.</p>
<p>Acceptance/Rejection of Applications</p>	<p>The actual number of Offer Shares that an Applicant will be allowed to subscribe for is subject to the confirmation of the Joint Lead Underwriters and Joint Bookrunners. The Company, in consultation with the Joint Lead Underwriters and Joint Bookrunners, reserves the right to accept or reject, in whole or in part, any Application due to any grounds specified in the Underwriting Agreement to be entered into by the Company and the Joint Lead Underwriters and Joint Bookrunners.</p>

	<p>Applications which were unpaid or where payments were insufficient and those that do not comply with the terms of the Offer shall be rejected. Moreover, any acceptance or receipt of payment pursuant to the Application does not constitute approval or acceptance by the Company of the Application.</p> <p>An Application, when accepted, shall constitute a binding and effective agreement between the Applicant and the Company for the subscription to the Offer Shares at the time, in the manner and subject to terms and conditions set forth in the Application to Purchase and those described in the Offer Supplement, notwithstanding any provision to the contrary as may be found in the Application, the Offer Supplement, the Prospectus, and other offer-related document. Notwithstanding the acceptance of any Application by the Company, the actual subscription by the Applicant for the Offer Shares will become effective only upon listing of the Offer Shares on the PSE and upon the obligations of the Joint Lead Underwriters and Joint Bookrunners under the Underwriting Agreement becoming unconditional and not being suspended, terminated or cancelled, on or before the Listing Date, in accordance with the provision of the said agreement. If such conditions have not been fulfilled on or before the periods provided above, all Application payments will be returned to the Applicants without interest. Subject to the right of the Company to withdraw or cancel the offer and sale of the Offer Shares prior to Listing Date pursuant to the Withdrawal of the Offer section of the Offer Supplement, the Company and any of its agents involved in the Offer undertake to comply with all conditions that are within the control of the Company and any of its agents involved in the Offer, to ensure the listing of the Offer Shares on Listing Date.</p>
Refunds for Rejected Applications	<p>In the event that the number of Offer Shares to be allotted to an Applicant, as confirmed by a Joint Lead Underwriter and Joint Bookrunner or Selling Agent, is less than the number covered by its Application, or if an Application is wholly or partially rejected by the Company, then the Company shall refund, without interest, within five (5) Business Days from the end of the Offer Period, all or the portion of the payment corresponding to the number of Offer Shares wholly or partially rejected. All refunds, without interest, shall be made through the Joint Lead Underwriters and Joint Bookrunners, Selling Agent, or Receiving Agent (as applicable) with whom the Applicant has filed the Application within five (5) Business Days from the end of Offer Period.</p> <p>Should the refund be made via a check, an Applicant may retrieve such check refund at the office of the relevant Joint Lead Underwriter and Joint Bookrunner, Selling Agent, or Receiving Agent (as applicable) with whom the Applicant has filed the Application. Refund checks that</p>



	<p>remain unclaimed after thirty (30) days from the date such checks are made available for pick-up shall be delivered through registered mail, at the Applicant's risk, to the address specified by the Applicant in the Application.</p>
<p>Process of distributing TP allocation among the Series 4D Preferred Shares and the Series 4E Preferred Shares.</p>	<p>Mechanics of Distribution</p> <ol style="list-style-type: none"> <li>1. Upon preparation of the Firm Undertaking report, the designated Joint Lead Underwriter and Joint Bookrunner, with oversight from representative(s) of the other Joint Lead Underwriters and Joint Bookrunners shall input the number of Offer Shares requested by each Participating TP in a spreadsheet designed for the reservation and allocation of the Offer Shares.</li> <li>2. The spreadsheet shall distribute the total number of Offer Shares to be allocated to each Participating TP in accordance with the following process: <ol style="list-style-type: none"> <li>a) If the total number of Offer Shares requested by a Participating TP, based on its Firm Undertaking, does not exceed the allocation per TP, the designated Joint Lead Underwriter and Joint Bookrunner shall fully satisfy the request of such Participating TP. Each TP is assured of not less than the Allocation per TP. The balance, if any, shall be re-distributed among those who have signified a commitment to purchase more than the Allocation per TP in their Firm Undertaking until all the Offer Shares allotted for distribution are fully allocated.</li> <li>b) If the total number of Offer Shares requested by a Participating TP exceeds the allocation per TP, Additional Shares may be sourced from the Offer Shares not taken up by the other TPs. The designated Joint Lead Underwriter and Joint Bookrunner, under the observation of a representative of the PSE Listings Department, shall allocate the Offer Shares to Participating TPs by: (i) fully satisfying the orders of those TPs who have Firm Orders that are less than or equal to the allocation per TP; and (ii) distributing equitably the remaining TP Allocation to other TPs with orders for Additional Shares, but only up to their respective Firm Order.</li> <li>c) In no case shall any Participating TP be awarded more than the shares indicated in its Firm Undertaking.</li> <li>d) If the aggregate number of Offer Shares requested by all Participating TPs is less than</li> </ol> </li> </ol>

	<p>the TP Allocation, the balance shall be returned to the Joint Lead Underwriters and Joint Bookrunners.</p> <p>3. Unless otherwise determined by the Issuer, in consultation with the Joint Lead Underwriters and Joint Bookrunners, the distribution between the Series 4D Preferred Shares and Series 4E Preferred Shares in the final TP Allocation of each TP shall follow the same proportion of the Series 4D Preferred Shares and Series 4E Preferred Shares as reflected in the relevant TP's Firm Undertaking. This will be rounded to the prescribed board lot requirement as described in paragraph 10 of the TP Guidelines.</p> <p>4. All deadlines indicated in these procedures shall be strictly followed.</p>
Withdrawal of the Offer	<p>The Company reserves the right to withdraw the offer and sale of the Offer Shares at any time before the commencement of the Offer Period, in which event the Company shall make the necessary disclosures to the SEC and PSE.</p> <p>The Joint Lead Underwriters and Joint Bookrunners may also cancel or terminate their underwriting commitments at any time prior to the commencement of the Offer Period, by giving written notice to the Company, the SEC and the PSE, if prior to the commencement of the Offer Period, any of the events set out in the Underwriting Agreement occurs.</p> <p>The Company may also withdraw the offer and sale of the Offer Shares at any time on or after the commencement of the Offer Period and prior to the Listing Date, if any of the following events occurs, in which case the Underwriting Agreement shall be deemed terminated:</p> <p>a. An outbreak or escalation of hostilities or acts of terrorism involving the Philippines or a declaration by the Philippines of a state of war; or occurrence of any event or change (whether or not forming part of a series of events occurring before, on and/or after the date hereof) of a political, military, economic or other nature; or occurrence of any change in local, national or international financial, political, economic or stock market conditions which renders it impracticable or inadvisable to continue with the Offer and/or listing of the Offer Shares in the manner contemplated by the PSE Notice of Approval, the SEC pre-effective clearance, the SEC Order of Registration, or the SEC Permit to Sell Securities ("<b>Approvals</b>") and by the Prospectus and the Offer Supplement, or would have a material adverse effect on the Philippine economy, on the securities or</p>

other financial or currency markets of the Philippines, or on the distribution, offer and sale of the Offer Shares in the Philippines, rendering it, in the reasonable determination of the Joint Lead Underwriters and Joint Bookrunners, impracticable to proceed with the Offer in the manner contemplated by the Approvals and the Prospectus and the Offer Supplement, provided that for the avoidance of doubt, the Offer shall not be withdrawn, cancelled, suspended or terminated solely by reason of the Issuer's or Joint Lead Underwriters and Joint Bookrunners' inability to sell or market the Offer Shares or refusal or failure to comply with any undertaking or commitment by the Issuer, the Joint Lead Underwriters and Joint Bookrunners, or any other entity/person to take up any Offer Shares remaining after the Offer Period;

b. An order revoking, cancelling, suspending, preventing or terminating the offer, sale, distribution listing or issuance of the Offer Shares by any court or governmental agency or authority having jurisdiction on the matter which to issue such order is not lifted, including the SEC and the PSE;

c. Cancellation, revocation or termination of the Approvals;

d. Trading in the PSE is closed or suspended for at least three (3) consecutive Trading Days other than due to weekends or declared holidays, or in such manner or for such period as will render impracticable the listing and trading of the Offer Shares on the Listing Date or such other date as may be approved by PSE;

e. There is a change or impending change in any Philippine law, rule, regulation, policy or administrative practice, or a ruling, interpretation, decree or order which (i) materially and adversely affects: (a) the ability of the Issuer to engage in the business it is presently engaged in; (b) the capacity and due authorization of the Issuer to offer and issue the Offer Shares and enter into the transaction documents in connection with the Offer, (c) any of the features, yield or marketability of the Offer Shares, including the taxes on fees or costs in connection with the Offer, or (ii) renders illegal the performance by any of the Joint Lead Underwriters and Joint Bookrunners of their respective obligations hereunder;

f. Any significant, adverse, and unforeseeable change or development in the Issuer's long-term financial condition, assets, liabilities, results of operations, business, properties, or profitability, which renders the Offer Shares unsuitable for offering to the public;

	<p>g. The Issuer decides to or is compelled by any competent court or government authority to stop or is about to stop its operations, where the Issuer does not resume normal operations or which stoppage is not remedied within five (5) Business Days from such decision of the Issuer or competent court or government authority (as the case may be);</p> <p>h. The Issuer shall be adjudicated bankrupt or insolvent, or shall admit in writing its inability to pay its debts as they mature, or shall make or threaten to make an assignment for the benefit of, or a composition or arrangement 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; and such receiver, trustee or similar officer shall be appointed; or the Issuer shall initiate or institute (by petition, application or otherwise), or consent to the institution of any bankruptcy, insolvency, reorganization, rehabilitation, arrangement, readjustment of debt, suspension of payment, dissolution, liquidation, corporate rehabilitation or similar proceeding relating to it under the laws of any jurisdiction; or any such proceeding shall be instituted against the Issuer; or any judgment, writ, warrant of attachment or execution or similar process shall be issued or levied against any material asset, or material part of the Issuer's assets; or any event occurs which under the laws of the Philippines or any applicable political subdivision thereof, has an effect equivalent to any of the foregoing;</p> <p>i. A general banking moratorium is declared in the Philippines or a material disruption in commercial banking, securities settlement or clearance services occurs in the Philippines;</p> <p>j. The commencement or threatened commencement by any entity, person or regulatory body of any public action, court proceeding, litigation, arbitration or other similar proceeding against any of the Joint Lead Underwriters and Joint Bookrunners which renders the performance of its underwriting commitment impossible or impracticable;</p> <p>k. Any event occurs which makes it impossible for any of the Joint Lead Underwriters and Joint Bookrunners to perform their underwriting obligations due to conditions beyond their control, such as issuance by any court, arbitral tribunal, or government agency which has jurisdiction on the matter of an order restraining or prohibiting any of the Joint Lead Underwriters and Joint Bookrunners, or directing any of</p>
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	<p>Notwithstanding the foregoing, the Company and the Joint Lead Underwriters and Joint Bookrunners recognize and acknowledge that the PSE is a self-regulatory organization with a mandate to maintain a fair and orderly market. In this regard, the PSE may impose appropriate and reasonable sanctions and penalties on the relevant party for the cancellation of the Offer on or after the commencement of the Offer Period and prior to the Issue Date if, subsequently, the PSE determines that the cancellation or suspension of the Offer was not warranted based on the facts gathered and properly evaluated by PSE and after due and proper proceedings initiated by the PSE not later than five (5) Business Days after such cancellation or suspension.</p>																
Local Small Investors	<p>On April 16, 2024, the PSE issued Memorandum Circular CN No. 2024-0024 ("<b>C.N. 2024-0024</b>") which provides the amendments to Article III, Part F, Section 13 and Article V, Part F of the Consolidated Listing and Disclosure Rules, effective immediately. Under C.N. 2024-0024, the allocation of offer shares to Local Small Investors shall be mandatory. As such, the Company will allocate up to 10% or [1,300,000] Offer Shares to Local Small Investors.</p> <p><b>"Local Small Investor"</b> or <b>"LSI"</b> shall mean a share subscriber who is willing to subscribe to a minimum board lot and whose subscription does not exceed ₱100,000.00.</p>																
Expected Timetable	<p>The timetable of the Offer is expected to be as follows:</p> <table border="1"> <tr> <td>PSE Board Approval and issuance of Notice of Approval</td><td>[Week of Aug 12]</td></tr> <tr> <td>Dividend Rate Setting</td><td>[Week of Aug 12]</td></tr> <tr> <td>Dividend Rate Announcement</td><td>[Week of Aug 12]</td></tr> <tr> <td>Issuance of Permit to Sell and Order of Registration</td><td>[Week of Aug 19]</td></tr> <tr> <td>Public Offer Period</td><td>[Weeks of Aug 19 to 26]</td></tr> <tr> <td>PSE Trading Participants' Submission of Firm Undertaking</td><td>[Week of Aug 26]</td></tr> <tr> <td>Release of Allocation Notices to PSE Trading Participants</td><td>[Week of Aug 26]</td></tr> <tr> <td>Listing Date and commencement of trading on the PSE</td><td>[Week of Sept 2]</td></tr> </table> <p>Any change in the dates included above may be subject to approval of the SEC and PSE, as applicable, and</p>	PSE Board Approval and issuance of Notice of Approval	[Week of Aug 12]	Dividend Rate Setting	[Week of Aug 12]	Dividend Rate Announcement	[Week of Aug 12]	Issuance of Permit to Sell and Order of Registration	[Week of Aug 19]	Public Offer Period	[Weeks of Aug 19 to 26]	PSE Trading Participants' Submission of Firm Undertaking	[Week of Aug 26]	Release of Allocation Notices to PSE Trading Participants	[Week of Aug 26]	Listing Date and commencement of trading on the PSE	[Week of Sept 2]
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	other conditions.
Sole Issue Manager	BDO Capital & Investment Corporation
Joint Lead Underwriters and Joint Bookrunners	<p>Bank of Commerce, BDO Capital &amp; Investment Corporation, China Bank Capital Corporation, Philippine Commercial Capital, Inc., PNB Capital and Investment Corporation, and SB Capital Investment Corporation.</p> <p>For more information on the Sole Issue Manager, and the Joint Lead Underwriters and Joint Bookrunners and their underwriting commitments, please see "<i>Plan of Distribution</i>".</p>
Selling Agents	Trading Participants of The Philippine Stock Exchange, Inc.
Depository Agent	Philippine Depository & Trust Corp.
Registrar/Stock Transfer Agent	SMC Stock Transfer Service Corporation
Receiving Agent	SMC Stock Transfer Service Corporation
Counsel to the Issuer	Picazo Buyco Tan Fider & Santos
Counsel to the Sole Issue Manager and the Joint Lead Underwriters and Joint Bookrunners	SyCip Salazar Hernandez & Gatmaitan