

22 December 2020

Philippine Stock Exchange

Disclosure Department
3/F PSE Plaza, Ayala Triangle Plaza
Makati City, Metro Manila

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department
Philippine Stock Exchange

Dear **Ms. Encarnacion**:

In furtherance to our Reply date 21 December 2020, we further give our response to the following queries:

1. On December 18, 2020, upon approval of its Board of Directors, the Company made a disclosure that it will redeem its PN3A preferred shares on 18 December 2020. The Company clarifies that the funds for the payment or settlement of the PN3A preferred shares have already been allocated, earmarked and transferred to the PDTC ready for payment to the rightful shareholders. However, since trading transactions were sighted between the periods, December 16 to 18, 2020 of which clearing period of 3 trading days have to be completed until December 23, 2020, full settlement, payment or redemption of PN3A preferred shares will be completed by December 23, 2020 upon clearance of all trading activities of PN3A preferred shares.
2. We reiterate that the Company has approved the full redemption, meaning all, PN3A preferred shares for the Optional Redemption Period or dividend period of December 18, 2020 in accordance with terms and conditions of issuance. Hence, it is its contention that no step up interest of 2% will be paid. However, as discussed in the preceding paragraph, settlement can only be had on December 23, 2020, in order to determine the actual shareholders of PN3A preferred shares after the last trading cut off of December 18, 2020. Payment of PN3A shall be effected through PDTC system to all PN3A shareholders.

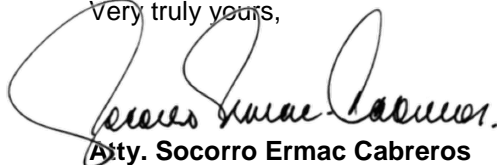
For certificated shares of PN3A, payments or settlement shall be settled through BDO Unibank, Inc. – Trust and Settlement Group upon presentation of the proper valid identifications containing photo and signature and surrender of the Stock Certificate duly endorsed or signed by the stockholder of record for purposes of cancellation. In case of representative, kindly show proper authorization.

As of December 22, 2020, the Company has substantially complied with all the terms and conditions of the offering of PN3A shares. There are no unpaid dividends as of this writing.

3. The Company is currently navigating its way through unusual times. Business operations have been affected by the negative effects brought about by the pandemic especially during the first two quarters of the year. While the Company is able to successfully navigate its way through these bumps, it still needed to prioritize its obligations in keeping with its commitments to its shareholders, creditors, partners, suppliers and all other stakeholders in the Company. As soon as the Company was able to secure the funds intended for the redemption of PN3A preferred shares, the Company, with approval from the Company's Board of Directors, immediately disclosed its intention to fully redeem the PN3A preferred shares in time for the Optional Redemption Period which is also a dividend payment period as described in the terms of the issuance of PN3A preferred shares. Hence, the Company immediately allocated, earmarked and transferred through our STA to PDTC the settlement funds to fully redeem the shares of PN3A.

We hope to have given clarity to our position in regards to the redemption of PN3A preferred shares.

Very truly yours,



Atty. Socorro Ermac Cabrerros
Corporate Secretary