



Energy Development Corporation  
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August 8, 2018

**JANET A. ENCARNACION**

Head, Disclosure Department  
The Philippine Stock Exchange, Inc.  
PSE Tower, 28th Street corner 5th Avenue  
Bonifacio Global City, Taguig City

Dear Ms. Encarnacion:

In compliance with the disclosure requirements of the Exchange, we submit the attached press release entitled "EDC Board Approves Voluntary Delisting Tender Offer".

Very truly yours,

A handwritten signature in blue ink, appearing to read "Ryan Z. Velasco", is positioned above the printed name.

**Ryan Z. Velasco**  
Head of Investor Relations  
& Corporate Information Officer

cc: **VINA VANESSA S. SALONGA**  
Head – Issuer Compliance and Disclosure Department (ICDD)  
Philippine Dealing & Exchange Corp.

## Press Release

August 8, 2018

### **EDC BOARD APPROVES VOLUNTARY DELISTING TENDER OFFER**

The Board of Directors of Energy Development Corporation (**EDC**) approved yesterday the company's plan to voluntarily delist its common shares from the Philippine Stock Exchange (**PSE**) and, in accordance with the PSE's delisting regulations, to conduct a tender offer (the **Tender Offer**) for all of its common shares held by the public, at a price of ₱7.25 per common share (the **Tender Offer Price**). Upon the successful completion of the Tender Offer (and subject to the approval by the PSE of the voluntary delisting), EDC is expected to be delisted from the PSE.

"The intention to eventually delist EDC was shared with the market last year and the tender offer that our board has approved today presents a meaningful opportunity for our minority shareholders to realize their investment prior to the delisting of the company, at a significant premium to the current share price," EDC President and Chief Operating Officer, Richard Tantoco stated.

In September 2017, Philippines Renewable Energy Holdings Corporation (**PREHC**) completed a voluntary tender offer to acquire 8.9 billion common shares of EDC.

At that time, PREHC and First Gen Corporation (**First Gen**) communicated to the market their intentions to eventually delist EDC, to pursue a corporate strategy that would require greater flexibility over factors like its dividend policy and leverage, and to support long-term growth.

EDC's Tender Offer Price of ₱7.25 per share represents a 46% premium over the closing share price of ₱4.95 on 7 August 2018 and a 40% premium over the three-month volume weighted average price of ₱5.18. The independent financial adviser, KPMG, issued an opinion based on an independent valuation that the Tender Offer Price is fair and reasonable from a financial point of view.

Subject to the filing by EDC of the Tender Offer Report (SEC Form 19-1) with the Securities and Exchange Commission (**SEC**), the Tender Offer period is expected to commence from 25 September 2018 to 22 October 2018 (the **Tender Offer Period**),<sup>1</sup> and is subject to a minimum of 1,162,000,000 common shares being tendered and eligible for acceptance by EDC through the Tender Offer, which will reduce the percentage of shares held by the public from 10.9% to less than 5.0%, and in turn, allow a voluntary delisting of the company, subject to PSE approval (the **Threshold Condition**).

EDC may extend the Tender Offer Period (with prior approval of the SEC) and may, at its discretion, waive the Threshold Condition.

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<sup>1</sup> Pursuant to the Securities and Regulation Code (**SRC**) Rule 19.5, EDC shall make an announcement of its intention to make a tender offer 30 business days prior to the start of the offer.

## About the Tender Offer

As approved by the Board of Directors of EDC and subject to the filing of the Tender Offer Report (SEC 19-1) with the SEC, the terms of the Tender Offer shall be as follows:

Tender Offer Price	₱7.25 per common share
Tender Offer Period	25 September 2018 to 22 October 2018
Shares available for tender	The Tender Offer is for up to 2,040,006,713 common shares, representing all common shares held by the public
Tender Offer Report	The Tender Offer Report (in the form of SEC Form 19-1, including its annexes, exhibits and schedules) is expected to be filed with the SEC and the PSE on or before the commencement of the Tender Offer on 25 September 2018. The Tender Offer Report shall contain, among others, the terms and conditions of the Tender Offer.

## About EDC

Energy Development Corporation (EDC) is a global geothermal energy industry pioneer and the Philippines' largest renewable energy (RE) producer, delivering 1,472MW of clean renewable energy (RE) to the country in the form of hydro, solar, and wind power apart from geothermal. Our 150MW Burgos Wind Farm is also the biggest in the country while our almost 1,200MW geothermal installed capacity accounts for 61% of the country's total installed geothermal capacity.

EDC powers infinite possibilities by being a champion of renewable energy that move people, transport ideas, drive industry, and transform lives.

With sustainability at the heart of our entire business value chain, we generate power through clean, renewable sources while implementing the same environmental and social practices and programs in all our business units to enhance the ecosystem and uplift the lives of the residents in our host communities.

## About First Gen

First Gen is a leading independent power producer in the Philippines that primarily utilizes clean and indigenous fuels such as natural gas, geothermal energy from steam, hydro-electric, wind, and solar power. The company has 3,490MW of installed capacity in its portfolio which accounts for 21% of the country's gross generation capacity. First Gen is a subsidiary of First Philippine Holdings Corporation, one of the oldest and largest conglomerates in the Philippines, and has over 20 years of experience in power development and is a part of the Lopez Group of Companies.

## About PREHC

PREHC is a consortium of investors comprised of funds managed by Macquarie Infrastructure and Real Assets (MIRA) and Arran Investment Pte Ltd (Arran), an affiliate of GIC Pte Ltd (GIC). MIRA and GIC are committed, long-term renewable energy investors, owning and operating a combined installed capacity of over 18 GW globally.