



Energy Development Corporation  
38<sup>th</sup> Floor, One Corporate Centre Building, Julia Vargas corner Meralco Avenue  
Ortigas Center, Pasig 1605, Philippines  
Trunklines: +63 (2) 667-7332 (PLDT) / +63 (2) 755-2332 (Globe)

August 7, 2017

**JOSE VALERIANO B. ZUÑO III**  
OIC-HEAD, Disclosures Department  
The Philippine Stock Exchange, Inc.  
Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue, Makati City

Dear Mr. Zuño:

Energy Development Corporation (“EDC”) on August 3 (Thursday) received a notice from the Philippines Renewable Energy Holdings Corporation (the “Bidder”) that it had filed a Tender Offer Report with the Securities and Exchange Commission which indicated that the Bidder will launch a voluntary tender offer to acquire a minimum of 6.6 billion common shares and up to a maximum of 8.9 billion common shares from EDC shareholders. The Offer for up to 31.7% of the outstanding voting shares in EDC is being made at a price of Php7.25 per share.

Please be advised that the Bidder has requested that EDC offer its shareholders the opportunity to speak with the Bidder directly about the details of the Offer. A short Q&A session to shareholders will be held on August 10, 2017, at 3:00 p.m. at the East Tower Function Room, One Rockwell, Rockwell Drive, Makati City. Attached is a copy of a letter released to EDC Shareholders on August 3, 2017 by EDC President and COO Richard B. Tantoco through the PSE Edge (EDC Disclosures section).

The Tender Offer Report detailing the Bidder’s intentions may also be viewed at the PSE Edge website (EDC Disclosures section) and at EDC’s website.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Erudito S. Recio", is written over a blue ink stamp.

**Erudito S. Recio**  
AVP, Head of Investor Relations &  
Corporate Information Officer

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



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3 August 2017

Dear EDC Shareholder,

Please be advised that Energy Development Corporation (“EDC” or the “Company”) received today a notification from Philippines Renewable Energy Holdings Corporation (“the Bidder”) that it is offering to acquire common shares of EDC (the “Tender Offer”). Please see below an overview of this significant development. You are also strongly encouraged to read in full the Tender Offer Report for information and reference.

### **What is the Tender Offer?**

A tender offer is a publicly announced intention by a person to acquire the shares of a public company from its shareholders.

Through this Tender Offer, the Bidder intends to acquire a minimum of 6.6 billion common shares up to a maximum of 8.9 billion common shares from shareholders of EDC, representing approximately up to 31.7% of the Company’s outstanding voting shares.

The Bidder is offering a price of Php7.25 for each common share of EDC. As the 30-day volume weighted average price of EDC’s common shares is Php5.93 per share, the Tender Offer price equates to a premium of 22.3%.

This Tender Offer is subject to the terms and conditions outlined in the Tender Offer Report.

First Gen Corporation (“First Gen”) and its wholly-owned subsidiary, Northern Terracotta Power Corporation (“NTPC”), will participate in the Tender Offer by tendering an aggregate of approximately 2 billion common shares held by them, subject to scale-back provisions under the applicable provisions of the Philippine Securities Regulation Code. The shares of First Gen and NTPC together represent approximately 10.6% of EDC’s total outstanding common shares. Following a successful Tender Offer, Red Vulcan Holdings Corporation (“Red Vulcan”), a wholly-owned subsidiary of First Gen, will continue to own a 60% voting interest in EDC.

### **Who is the Bidder?**

The Bidder is Philippines Renewable Energy Holdings Corporation (“PREHC”). On or following the closing or completion of the Tender Offer, PREHC will be indirectly held by a consortium of investors comprising funds managed by Macquarie Infrastructure and Real Assets (“MIRA”), and Arran Investment Pte Ltd (“Arran”), which is an affiliate of GIC Pte Ltd.

We are informed that both of these investors are focused on making long-term infrastructure investments in Asia, with considerable experience in renewable energy, owning and operating a combined installed capacity of over 11GW globally.

### **Why has the Bidder made this Offer?**

The Tender Offer Report details the Bidder’s intentions to use its expertise to support the long-term growth of EDC.

### **What do you have to do?**

We recommend that you read the Tender Offer Report in full and seek financial advice to enable you to decide if you would like to participate in this Tender Offer. The document explains the process to be followed should you decide to participate. The Tender Offer will start at 9:00 AM on August 10, 2017 and end at 12:00 PM on September 18, 2017.

If you do not wish to participate in the Tender Offer, you do not have to take any action.

**Where do you go for more information?**

More information about the Tender Offer is available, as provided by the Bidder, by visiting EDC's website at [www.energy.com.ph](http://www.energy.com.ph).

Questions regarding the Tender Offer can be directed to the Tender Offer Agent – BDO Securities Corporation.

- BDO Securities Corporation  
20th Floor, South Tower, BDO Corporate Center  
7899 Makati Avenue, Makati City
  - Ms. Edna Odulio, Tel. no. +63 (2) 840-7000 local 34560
  - Mr. Donald Buensuceso, Tel. no. +63 (2) 840-7000 local 33667
  - Ms. Abigail Britos, Tel. no. +63 (2) 840-7000 local 32583

Yours sincerely,



**RICHARD B. TANTOCO**