

October 19, 2020

**THE PHILIPPINE STOCK EXCHANGE, INC.**

6/F PSE Tower, 5<sup>th</sup> Avenue cor. 28<sup>th</sup> St.  
BGC, Taguig City

Attention: **Mr. Ramon S. Monzon**  
President and Chief Executive Officer

**Mr. Roel A. Refran**  
Chief Operating Officer

Re: **PH Resorts Group Holdings, Inc.'s Follow-On Offering**

Gentlemen:

We write in connection with the application for listing of the shares of PH Resorts Group Holdings, Inc. ("PHR") with the Philippine Stock Exchange (the "Exchange") through a Follow-on Offering of 300,000,000 Common Shares with an Over-allotment Option of 150,000,000 Common Shares at an Offer Price of ₱1.68 per Offer Share. Please be advised of the following terms of the Offer:

<b>Issuer</b>	PH Resorts Group Holdings, Inc., a corporation organized under the laws of the Republic of the Philippines.
<b>Issue Manager and Lead Underwriter</b>	Unicapital, Inc.
<b>Co-Lead Underwriter</b>	Abacus Capital & Investment Corporation
<b>Selling Agents</b>	PSE Trading Participants
<b>The Offer</b>	A Base Offer of 300,000,000 primary Common Shares, with an Over-allotment Option of 150,000,000 additional primary Common Shares to be issued and offered by the Company. After the completion of the Offer, the Offer Shares will comprise 5.89% of the Company's outstanding common shares upon completion of the Base Offer and 8.58% of the Company's outstanding common shares upon full exercise of the Over-allotment option.
<b>Over-allotment Option</b>	The Company has granted the Lead and Co-Lead Underwriters on a <i>pro-rata</i> basis, exercisable in whole or in part and subject to reallocation as may be agreed among the Company and the Lead and Co-Lead Underwriters, an option to purchase an additional 150,000,000 primary Common Shares at

<b>Trading Participants Offer</b>	<p>the Offer Price, on the same terms and conditions as the Base Offer Shares as set out in this Prospectus, solely to cover Over-allotments, if any. The Over-allotment Option is exercisable from the date of execution of the Underwriting Agreement until the end of the Offer Period. See “Plan of Distribution – The Over-allotment Option”.</p> <p>60,000,000 Offer Shares (or 20% of the Base Offer Shares) are (subject to re-allocation as described below) being offered through the Trading Participants in the Philippines at the Offer Price. Each PSE Trading Participant shall initially be allocated approximately 468,000 Base Offer Shares, subject to reallocation as may be determined by the PSE.</p>
<b>Offer Period</b>	<p>The Offer Period shall commence at 9:00 a.m., Manila time, on October 21, 2020 and end at 12:00 noon, Manila time, on October 28, 2020. The Company and the Issue Manager reserve the right to extend or terminate the Offer Period with the approval of the SEC and the PSE.</p> <p>Applications must be received by the Receiving Agent by 12:00 noon, Manila time, on October 28, 2020, whether filed through a participating Trading Participant or filed directly with the Issue Manager or Co-Lead Underwriter. Applications received thereafter or without the required documents will be rejected. Applications shall be considered irrevocable upon submission to a participating Trading Participant, the Issue Manager or the Co-Lead Underwriter and shall be subject to the terms and conditions of the Offer as stated in this Prospectus and in the application. The actual purchase of the Offer Shares shall become effective only upon the actual listing of the Offer Shares on the PSE and upon the obligations of the Issue Manager and Co-Lead Underwriter under the Underwriting Agreement becoming unconditional and not being suspended, terminated or canceled on or before the Listing Date in accordance with the provisions of such agreement.</p>
<b>Offer Price</b>	<p>₱1.68 per Offer Share.</p>
<b>Eligible Investors</b>	<p>The Offer Shares may be purchased by any natural person of legal age residing in the Philippines, regardless of nationality, or any corporation, association, partnership, trust account, fund or entity residing in and organized under the laws of the Philippines and/or licensed to do business in the Philippines, regardless of nationality, subject to the Company’s right to reject an application or reduce the number of Offer Shares applied for</p>

**Restrictions on Ownership**

subscription or purchase if the same will cause the Company to be in breach of the Philippine ownership requirements under relevant Philippine laws.

The Philippine Constitution and related statutes set forth restrictions on foreign ownership of companies engaged in certain activities. Because the Company is engaged in land ownership and development, its foreign shareholdings may not exceed 40% of its issued and outstanding capital stock entitled to vote, and 40% of its total issued and outstanding capital stock, whether or not entitled to vote.

Similarly, the Eleventh Regular Foreign Investment Negative List issued pursuant to the Philippine Foreign Investments Act provides that foreign equity participation in a company conducting any form of gambling is limited to 40.0% of that company's outstanding capital stock, unless pursuant to an agreement with PAGCOR and in a special economic zone administered by PEZA.

For more information relating to restrictions on the ownership of the Common Shares, see "Regulatory and Environmental Matters" and "Philippine Foreign Exchange and Foreign Ownership Controls."

**Use of Proceeds**

The Company intends to use the net proceeds of the Offer (i) to partially fund the construction of the first phase of Emerald Bay, and (ii) for general corporate purposes. See "Use of Proceeds" for details of how the total net proceeds are expected to be applied.

**Minimum Subscription**

Each application must be for a minimum of 10,000 Offer Shares, and thereafter, in multiples of 1,000 Offer Shares. Applications for multiples of any other number of Common Shares may be rejected or adjusted to conform to the required multiple, at the Company's discretion

**Listing and Trading**

The Company's application for the listing of the Offer Shares was approved by the PSE on September 30, 2020. All the Offer Shares in issue or to be issued are expected to be listed on the PSE under the symbol and company alias "PHR". See "Description of Share Capital." All the Offer Shares are expected to be listed on the PSE on November 5, 2020.

**Dividends**

Each holder of the Common Shares will be entitled to such dividends as may be declared by the Board

of Directors, provided that any stock dividend declaration requires the approval of shareholders holding at least two-thirds of the Company's total outstanding capital stock. The Philippine Revised Corporation Code has defined "outstanding capital stock" as the total shares of stock issued, whether paid in full or not, except treasury shares. There can be no guarantee that the Company will pay any dividends in the future. See "Dividends and Dividend Policy."

#### **Procedure for Application for the Offer**

Application forms and signature cards may be obtained from the Lead and Co-Lead Underwriters or from any participating Trading Participant. Applicants shall complete the application form, indicating all pertinent information such as the applicant's name, address, taxpayer's identification number, citizenship and all other information as may be required in the application form. Applicants shall undertake to sign all documents and to do all necessary acts to enable them to be registered as holders of Offer Shares. Failure to complete the application form may result in the rejection of the application.

If the applicant is a corporation, partnership or trust account, the application must be accompanied by the following documents:

- a certified true copy of the applicant's latest articles of incorporation and by-laws (or articles of partnership in the case of a partnership) and other constitutive documents (each as amended to date) duly certified by its corporate secretary (or managing partner in the case of a partnership);
- a certified true copy of the applicant's SEC certificate of registration or certificate of filing amended articles of incorporation or by-laws, as the case may be, duly certified by its corporate secretary (or managing partner in the case of a partnership); and
- a duly notarized corporate secretary's certificate (or certificate of the managing partner in the case of a partnership) setting forth the resolution of the applicant's board of directors or equivalent body authorizing the purchase of the Offer Shares indicated in the application, identifying the designated signatories authorized for the purpose, including his or her specimen signature, and certifying the percentage of the applicant's capital or capital stock held by Philippine

Nationals.

Foreign corporate and institutional applicants, in addition to the documents listed above, are required to submit in quadruplicate, a representation and warranty stating that their purchase of the Offer Shares to which their application relates will not violate the laws of their jurisdictions of incorporation or organization, and that they are allowed, under such laws, to acquire, purchase and hold the Offer Shares.

**Payment Terms for the Offer**

The purchase price must be paid in full in Philippine Pesos upon the submission of the duly completed and signed application form and signature card together with the requisite attachments. Payment for the Offer Shares shall be made either by: (i) a manager's or cashier's check, or a personal or corporate check drawn against an account with a BSP authorized bank at any of its branches located in Metro Manila; or (ii) a debit-credit instruction via Real Time Gross Settlement (RTGS) or direct bank fund transfer in favor of the relevant Underwriter accepting the application.

All checks should be made payable to "PH Resorts Group Holdings, Inc.", crossed "Payee's Account Only" and dated the same date as the application. Checks subject to regional clearing will not be accepted.

The applications and the related payments will be received through designated methods as specified in the TP Guidelines, to be published by the PSE prior to the start of the Offer Period. For more information on the payment terms and guidelines, see *"Implementing Guidelines for the Reservation and Allocation of PH Resorts Group Holdings, Inc. Offer Shares to the Trading Participants Of The Philippine Stock Exchange, Inc. through the Issue Manager, and the Lead And Co-Lead Underwriters"* which will be published on the PSE EDGE website prior to the start of the Offer Period.

**Acceptance or Rejection of Applications for the Offer**

"Application to Subscribe" forms are subject to confirmation by the Issue Manager and the final approval of the Company. The Company and the Issue Manager reserve the right to accept, reject or scale down the number and amount of Offer Shares covered by any application. The Company and the Issue Manager have the right to reallocate available Offer Shares if the Offer Shares are insufficient to satisfy the total applications received. The Offer Shares will be allotted in such a manner as the Company and the Issue Manager may, in their sole discretion, deem appropriate, subject to

the distribution guidelines of the PSE. Applications with checks dishonored upon first presentation and "Application to Subscribe" forms which do not comply with terms of the Offer will be automatically rejected. Notwithstanding the acceptance of any "Application to Subscribe" forms, the actual subscription of the Offer Shares by the applicant will be effective only upon the listing of the Offer Shares at the PSE

**Refunds for the Offer**

In the event that the number of Offer Shares to be received by an applicant, as confirmed by the Issuer and Issue Manager, is less than the number covered by its application, or if an application is rejected by the Company, then the Issue Manager shall cause the refund, without interest, within five banking days from the end of the Offer Period, all or a portion of the payment corresponding to the number of Offer Shares wholly or partially rejected. All refunds shall be made through the Receiving Agent with whom the applicant has filed the application, at the applicant's risk.

For more information on the guidelines for refunds, see *"Implementing Guidelines for the Reservation and Allocation of PH Resorts Group Holdings, Inc. Offer Shares to the Trading Participants Of The Philippine Stock Exchange, Inc. through the Issue Manger, and the Lead And Co-Lead Underwriters"* which will be published on the PSE EDGE website prior to the start of the Offer Period.

**Registration and Lodgment of Offer Shares with PDTC**

The Offer Shares are required to be lodged with the PDTC. The applicant must provide the information required for the PDTC lodgment of the Offer Shares. The Offer Shares will be lodged with the PDTC at least three (3) trading days prior to the Listing Date. The applicant may request to receive share certificates evidencing such applicant's investment in the Offer Shares through his/her broker after the Listing Date. Any expense to be incurred by such issuance of certificates shall be borne by the applicant.

**Registration of Foreign Investments**

The BSP requires that investments in shares of stock funded by inward remittance of foreign currency be registered with the BSP only if the foreign exchange needed to service capital repatriation or dividend remittance will be sourced from the Philippine banking system. The registration with the BSP of all foreign investments in the Offer Shares shall be the responsibility of the foreign investor. See "Philippine Foreign Exchange and Foreign Ownership Controls."

**Voting Rights**

The Offer Shares have full voting rights as Common Shares of the Company. Each holder of an Offer Share will be entitled to one vote for each Share held. See “Description of Share Capital.”

**Tax Considerations**

See “Philippine Taxation” for further information on the Philippine tax consequences of the purchase, ownership and disposal of the Offer Shares

**Expected Timetable**

The timetable of the Offer is expected to be as follows:

Pricing Date/Price Determination Date	October 16, 2020
Notice of final Offer Price to the SEC and PSE	October 16, 2020
Start of Offer Period	October 21, 2020
Submission of Firm Order and Commitments by the PSE Trading Participants	October 26, 2020
End of Offer Period	October 28, 2020
Listing Date	November 5, 2020

The dates included above are subject to the approval of the PSE and SEC, market and other conditions, and may be changed.

**Risks of Investing**

Before making an investment decision, prospective investors should carefully consider the risks associated with an investment in the Offer Shares. Certain of these risks are discussed in the section entitled “Risk Factors” and include: risks relating to the construction and development of Emerald Bay, risks relating to the operation of Emerald Bay and the Donatela Resort & Sanctuary, risks relating to the Emerald Provisional License and regulation of the Philippine gaming and hotel industries, general risks relating to the Company, risks relating to the Philippines, risks relating to the Offer and Offer Shares and risks relating to the presentation of information in this Prospectus.

We trust that you shall find the foregoing in order.

Very truly yours,

**PH RESORTS GROUP HOLDINGS, INC.**

By:



**Raymundo Martin M. Escalona**  
President and Chief Executive Officer