

15 November 2022

SEC OKAYS PREMIERE ISLAND POWER REIT IPO

The Securities and Exchange Commission (SEC) has considered favorably the initial public offering (IPO) of a real estate investment trust sponsored by S.I. Power Corporation (SIPCOR) and Camotes Island Power Generation Corporation (CAMPCOR).

In its November 10 meeting, the Commission *En Banc* resolved to render effective the registration statement of Premiere Island Philippines Holding Corporation, which will change its name to Premiere Island Power REIT Corporation (PREIT), covering 3,288,669,000 common shares, subject to the company's compliance with certain remaining requirements.

The offer will include up to 1.4 billion common shares priced at P2 per share, to be sold by SIPCOR and CAMPCOR, plus up to 210 million common shares as part of the overallotment option.

Net proceeds from the offer could reach up to P3.09 billion, assuming the overallotment option is fully exercised. The selling shareholders will receive the full amount of the proceeds, which shall be reinvested in the Philippines, pursuant to the Revised Implementing Rules and Regulations of Republic Act No. 9856, otherwise known as the Real Estate Investment Trust (REIT) Act of 2009.

Assuming the full exercise of the overallotment option, new investors will corner 42.6% of the issued and outstanding common shares of PREIT, while SIPCOR and CAMPCOR will retain a 57.4% interest.

PREIT intends to conduct the IPO from November 25 to December 2 and debut on the PSE on December 12, based on the latest timetable submitted to the SEC.

The company engaged China Bank Capital Corporation as sole issue manager, underwriter, and bookrunner for the offer. RCBC Capital Corporation will also serve as participating underwriter.

VFund Management Inc. and VProperty Management Inc. have been tapped as fund manager and property manager, respectively.

PREIT is seen to be the power and infrastructure REIT platform of Villar-led Prime Asset Ventures, Inc. The company's initial property portfolio consists of land and power plant assets utilized in the power generation projects of SIPCOR and

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CAMPCOR in Cebu and Siquijor, which have a total combined installed capacity of 21.2 megawatts.

As mandated by law, PREIT shall distribute at least 90% of its annual distributable income as dividends.

The distributable income refers to the company's net income as adjusted for unrealized gains and losses/expenses and impairment losses, and other items in accordance with internationally accepted accounting standards. It excludes proceeds from the sale of the REIT's assets that are reinvested in the REIT within one year from the date of the sale.

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