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SEC Registration Number

A		B	R	O	W	N		C	O	M	P	A	N	Y	,		I	N	C	.
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(Company's Full Name)

X	A	V	I	E	R		E	S	T	A	T	E	S		U	P	T	O	W	N
A	I	R	P	O	R	T		R	O	A	D		B	A	L	U	L	A	N	G

C	A	G	A	Y	A	N		D	E		O	R	O		C	I	T	Y
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(Business Address: No. Street City/Town/Province)

Allan Ace Magdaluyo

Contact Person

02-8631 8890

Company Telephone Number

1	2	/	3	1
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Month Day

Fiscal Year

1	7	-	C
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FORM TYPE

0	6
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Month

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Day

Annual Meeting

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Secondary License Type, if applicable

M	S	R	D
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Dept. Requiring this Doc.

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Total Amount of Borrowings

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Total No. of Stockholders

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Domestic

-	0	-
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Foreign

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To be accomplished by SEC Personnel concerned

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File number

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Document I.D.

STAMPS

\_\_\_\_\_  
LCU\_\_\_\_\_  
Cashier

Remarks = pls. use black ink for scanning purposes

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17  
OF THE SECURITIES REGULATION CODE  
AND SRC RULE 17.2(c) THEREUNDER

15 October 2021

1. .... 002-724-446-000  
2. SEC Identification Number. 31168 3. BIR Tax Identification No. ....

**A BROWN COMPANY, INC.**

4. ....  
Exact name of issuer as specified in its charter  
Metro Manila  
5. .... 6. .... (SEC Use Only)  
Province, country or other jurisdiction Industry Classification Code:  
Xavier Estates Uptown, Airport Road, Balulang, Cagayan de Oro City 9000  
7. ....  
Address of principal office  
Liaison Office - (02) 8631-8890 / (02) 8633-3135  
8. ....  
9. ....  
Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
.....Common Stock.....	2,398,912,911 shares.....

11. Indicate the item numbers reported herein: **Item No. 9**

Please refer to the attached letter to the Philippine Stock Exchange dated **October 15, 2021**.

**SIGNATURES**

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**A BROWN COMPANY, INC.**

15 October 2021

  
**ALLAN ACE R. MAGDALUYO**  
Compliance Officer



15 October 2021

**THE PHILIPPINE STOCK EXCHANGE, INC.**

28<sup>th</sup> Street corner 5<sup>th</sup> Avenue  
PSE Tower, Bonifacio Global City  
Taguig City

Attention: **JANET A. ENCARNACION**  
Head – Disclosure Department

Re: SEC Approval of the Enabling Resolution

Gentlemen:

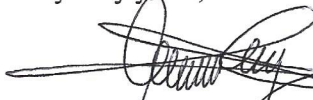
On 15 October 2021, the Securities and Exchange Commission (“SEC”) issued the Certificate of Filing of Enabling Resolution dated 14 October 2021 in connection with the offer and issue of 50,000,000 cumulative, non-voting, non-participating, and non-convertible perpetual preferred shares, at an offer price of up to Php100.00 per share which was approved by the Board of Directors of the Company on July 15, 2021 and was filed with the SEC pursuant to Section 6 of the Revised Corporation Code of the Philippines (R.A. No. 11232).

The issuance of the initial tranche of 10,000,000 Preferred Shares with an oversubscription option of 5,000,000 Preferred Shares remains subject to the approval by the SEC of the Registration Statement for the shelf registration of the Preferred Shares and the Philippine Stock Exchange’s approval of the listing application for the Preferred Shares.

Please see the attached Certificate of Filing of Enabling Resolution.

Thank you for your kind attention.

Very truly yours,



**ALLAN ACE R. MAGDALUYO**  
Compliance Officer





REPUBLIC OF THE PHILIPPINES  
SECURITIES AND EXCHANGE COMMISSION  
Ground Floor, Secretariat Building, PICC  
City of Pasay, Metro Manila

COMPANY REG. NO. 31168

**CERTIFICATE OF FILING OF ENABLING RESOLUTION**

KNOW ALL PERSONS BY THESE PRESENTS:

THIS IS TO CERTIFY that the Board Resolution executed on July 16, 2021 by at least a majority of the Board, containing the Enabling Resolution of

**A BROWN COMPANY, INC.**

copy annexed, that the company be authorized to offer and to issue up to Fifty Million (50,000,000) cumulative, non-voting, non-participating and non-convertible perpetual preferred shares, at an offer price of up to One Hundred Pesos (Php 100.00) per share, approved by its Board of Directors on July 15, 2021, was filed with this Office and attached to the other papers pertaining to said corporation, pursuant to Section 6 of the Revised Corporation Code of the Philippines (Republic Act No. 11232).

IN WITNESS WHEREOF, I have set my hand and caused the seal of this Commission to be affixed to this Certificate at Pasay City, Metro Manila, Philippines, this 14<sup>th</sup> day of October, Twenty Twenty One.

**GERARDO E. DEL ROSARIO**

Director

Company Registration and Monitoring Department

BA/lea

RECEIVED  
ATD - 112050001  
COMMISSION





**OFFICIAL RECEIPT**  
Republic of the Philippines  
DEPARTMENT OF FINANCE  
SECURITIES AND EXCHANGE COMMISSION  
Secretariat Building, PICC Complex  
Roxas Boulevard, Pasay City, 1307



Accountable Form No. 51  
Revised 2006

**ORIGINAL**

DATE

October 12, 2021

No. **2048181**

**PAYOR** A. BROWN COMPANY, INC.  
BALUBUNG, CAGAYAN DE ORO

NATURE OF COLLECTION	ACCOUNT CODE	RESPONSIBILITY CENTER	AMOUNT
Amended Articles of Incorporation	4020102000	CRMD (606)	1,000.00
Documentary Stamp Tax	4010400000	(4010400)	30.00
Legal Research Fee (A0823)	2020105000	(131)	10.00

**TOTAL PHP 1,040.00**

**AMOUNT IN WORDS**

ONE THOUSAND FORTY PESOS AND 00/100

Received	<input checked="" type="checkbox"/> Cash	Received the Amount Stated Above
	<input type="checkbox"/> Treasury Warrant	
	<input type="checkbox"/> Check	KIMBERLY C. SALES COLLECTING OFFICER
	<input type="checkbox"/> Money Order	
Treasury Warrant, Check, Money Order Number		O.R. No. 2048181
Date of Treasury Warrant, Check, Money Order		

**NOTE:** Write the number and date of this receipt on the back of treasury warrant, check or money order received.



**OFFICIAL RECEIPT**  
Republic of the Philippines  
DEPARTMENT OF FINANCE  
SECURITIES AND EXCHANGE COMMISSION  
Secretariat Building, PICC Complex  
Roxas Boulevard, Pasay City, 1307



Accountable Form No. 51  
Revised 2006

**ORIGINAL**

DATE

October 12, 2021

No. **2048181**

PAYOR

A. BRIAN COMPANY, INC.  
DALUANG, CAGAYAN DE ORO

NATURE OF COLLECTION	ACCOUNT CODE	RESPONSIBILITY CENTER	AMOUNT
Amended Articles of Incorporation	4030102100000000	CRMD	1,000.00
Documentary Stamp Tax	4010401100000000		50.00
Legal Research Fee (AOL23)	2020101100000000		10.00
<b>TOTAL PHP</b>			<b>1,040.00</b>

AMOUNT IN WORDS

ONE THOUSAND FORTY PESOS AND 00/100

Received	<input checked="" type="checkbox"/> Cash	Received the Amount Stated Above
	<input type="checkbox"/> Treasury Warrant	
	<input type="checkbox"/> Check	
	<input type="checkbox"/> Money Order	
Treasury Warrant, Check, Money Order Number		KIMBERLY C. ALES COLLECTING OFFICER
Date of Treasury Warrant, Check, Money Order		O.R. No. 2048181

NOTE: Write the number and date of this receipt on the back of treasury warrant, check or money order received.







**MARKETS & SECURITIES REGULATION DEPARTMENT**

7 October 2021

**Via email**

**A BROWN COMPANY, INC.**

Xavier Estates Uptown, Airport Road,  
Balulang, Cagayan de Oro City, 9000

**ATTENTION : MR. ROBERTINO E. PIZARRO**  
President and Chief Executive Officer

**SUBJECT : REQUEST FOR COMMENT/RECOMMENDATION**  
**(Series A Preferred Shares)**

Gentlemen:

This is in connection with **A BROWN COMPANY, INC.**'s (the "Company") application for approval of the **Enabling Resolution for Series A Preferred Shares** to form part of the latest Amended Articles of Incorporation of the Company.

We do not interpose any objection to the Company's application provided that once the same is approved, the Company shall file, within five (5) days from receipt of information about said approval, a duly accomplished **Current Report (SEC Form 17-C)** disclosing therein the approval of the said resolution.

Our Department, nevertheless, defers to the discretion of the Commission's Company Registration and Monitoring Department (CRMD) considering that it has the primary jurisdiction over registration of corporations and partnerships in general, as well as amendments to articles of incorporation and by-laws. Furthermore, our comments or recommendations are limited merely to this Department's regulatory requirements and does not cover the substance of the application with respect to compliance with the Revised Corporation Code of the Philippines.

Finally, it is emphasized that this comment is without prejudice to the prerogative of this Department to act later against the Company, if warranted, to ensure full compliance with the provisions of the Securities Regulation Code, its implementing rules and regulations, and other pertinent laws, rules and regulations, as may be necessary and applicable under the circumstances.

Very truly yours,

**VICENTE GRACIANO P. FELIZMENIO, JR.**  
Director

cc: Office of the Director, CRMD  
Corporate Partnership Registration Division



REPUBLIC OF THE PHILIPPINES)  
MAKATI CITY, METRO MANILA) S.S.



**DIRECTORS' CERTIFICATE**

We, the undersigned, constituting the majority members of the Board of Directors of **A Brown Company, Inc. (the "Corporation")**, with principal office address at the Xavier Estates Uptown, Airport Road, Balulang, Cagayan de Oro City, do hereby certify that at the duly constituted meeting of the Board of Directors of the Corporation held on July 15, 2021, the following resolutions were passed and approved:

**"RESOLVED, AS IT IS HEREBY RESOLVED,** that A Brown Company, Inc. (the **"Corporation"**) is hereby authorized to offer and issue up to Fifty Million (50,000,000) cumulative, non-voting, non-participating, and non-convertible perpetual peso-denominated perpetual preferred shares, at an offer price of up to One Hundred Pesos (Php100.00) per share (the **"Offer Shares"**), subject to the approval by the stockholders and by the Securities and Exchange Commission (**"SEC"**) of the amendment to the Corporation's articles of incorporation to create a class of preferred shares;

**"RESOLVED, FURTHER,** that the Offer Shares be filed under a shelf registration to be issued for a period of three (3) years or such longer period as may be approved by the SEC;

**"RESOLVED, FURTHER,** that the Corporation be authorized to make an initial offering of up to Fifteen Million (15,000,000) preferred shares at an offer price of up to One Hundred Pesos (Php100.00) per share (the **"Initial Offer Shares"**) subject to the registration requirements of the SEC and the listing requirements of the Philippine Stock Exchange (**"PSE"**);

**"RESOLVED, FURTHER,** that the Initial Offer Shares shall be issued in one (1) series, which may or may not have the features of dividend rate step up, and redemption date of up to five (5) years;

**"RESOLVED, FURTHER,** that the management of the Corporation be authorized to determine such other terms and conditions of the issuance as may be advantageous to the Corporation and in accordance with the scope of authority by the Board, including but not limited to the determination of the coupon rate of the Initial Offer Shares, and subsequent offerings out of the Offer Shares;

**"RESOLVED, FURTHER,** that the Corporation, through management, be authorized to do the following acts:

- (a) application for the registration and licensing of a total of Fifty Million (50,000,000) cumulative, non-voting, non-participating, and non-convertible peso-denominated perpetual preferred shares with the SEC and to make any and all required filings, including the preparation and filing of the Registration Statement and Prospectus for the shelf registration of the Offer Shares and the offering of the Initial Offer Shares and any other documents as may be required by the SEC;
- (b) filing and submission of an application with the PSE for listing of the Offer Shares, including the Initial Offer Shares, pursuant to the listing requirements of the PSE;
- (c) signing, execution, and delivery of any and all documents, contracts, agreements and instruments as may be required or necessary in connection with the registration with the SEC, the listing with the PSE, and the public offering of the Initial Offer Shares;

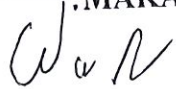
- (d) engagement of PNB Capital and Investment Corporation as Sole Issue Manager, Lead Underwriter, and Sole Bookrunner; and engagement of such other underwriters, advisors, legal counsels, stock and transfer agent, receiving agent/bank, and other agents as may be necessary, proper, or desirable to effect and implement the registration with the SEC, the listing with the PSE, and the offer for sale, to the public and investors, of the Initial Offer Shares, under such terms and conditions as management may deem to be fair and reasonable in the best interest of the Corporation; and
- (e) approval of all the disclosures contained in the Registration Statement and Prospectus for the Offer Shares to be filed with the SEC; and assumption of full responsibility for the information contained therein;

**RESOLVED, FINALLY**, that the President and CEO, **Mr. Robertino E. Pizarro** and the Chief Finance Officer, **Ms. Marie Antonette U. Quinito**, signing singly be hereby authorized to execute and deliver all documents necessary to carry out these resolutions, including but not limited to any certificates evidencing the Preferred Shares for and in behalf of the Corporation, and to execute and deliver the Underwriting Agreement, Registry Agreement, Paying Agency Agreement, all other agreements with the Underwriters, Selling Agents, Registrar, Transfer Agent, Paying Agent, legal advisors and any other parties to the transaction, and any amendment or supplement thereto, and such other documents and papers necessary or required to effect this resolution.

*- SIGNATURE PAGE FOLLOWS -*



IN WITNESS WHEREOF, we have hereunto signed this Directors' Certificate this  
JUL 16 2021 in MAKATI CITY.



**WALTER W. BROWN**  
*Chairman of the Board*



**ANNABELLE P. BROWN**  
*Director*



**THOMAS G. AQUINO**  
*Independent Director*



**RENATO N. MIGRINO**  
*Director*



**JUN HOU**  
*Director*

**JOSELITO H. SIBAYAN**  
*Director*


**SUBSCRIBED AND SWORN** to before me this JUL 16 2021 in Makati City,  
affiants exhibiting to me the following:

**Name**

**Tax Identification  
Number (TIN)**

Walter W. Brown  
Annabelle P. Brown  
Thomas G. Aquino  
Renato N. Migrino  
Joselito H. Sibayan  
Jun Hou

Doc. No. 4;  
Page No. 2;  
Book No. V;  
Series of 2021.

  
**PATRICIA SARAH C. MAMURIC**  
Appointment No. M-302  
Notary Public for Makati City  
Until December 31, 2021  
Liberty Center- Picazo Law  
104 H.V. Dela Costa Street, Makati City  
Roll of Attorney's No. 73360  
PTR No. 8535729/Makati City/01-05-2021  
IBP No. 137921/Makati City/01-05-2021  
MCLE Exempted-Admitted to the bar in 2019



## TERMS OF THE OFFER

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*The following do not purport to be a complete listing of all the rights, obligations, and privileges of the Initial Offer Shares. Some rights, obligations or privileges may be further limited or restricted by other documents and subject to final documentation. Prospective shareholders are enjoined to perform their own independent investigation and analysis of the Issuer and the Initial Offer Shares. Each prospective shareholder must rely on its own appraisal of the Issuer and its own independent verification of the information contained herein and any other investigation it may deem appropriate for the purpose of determining whether to invest in the Initial Offer Shares and must not rely solely on any statement or the significance, adequacy or accuracy of any information contained herein. The information and data contained herein are not a substitute for the prospective shareholder's independent evaluation and analysis.*

*The following terms of the offer should be read as an introduction to, and is qualified in its entirety by reference to, the more detailed information appearing elsewhere in the Offer Supplement and in the Prospectus. These terms of the offer may not contain all of the information that prospective investors should consider before deciding to invest in the Initial Offer Shares. Accordingly, any decision by a prospective investor to invest in the Initial Offer Shares should be based on a consideration of the Prospectus and the Offer Supplement as a whole. Should there be any inconsistency between the summary below and the final documentation, the final documentation shall prevail.*

<b>Issuer</b>	: A Brown Company, Inc. ("ABCI" or the "Company")
<b>The Offer</b>	: The offer and sale by the Company of up to 15,000,000 cumulative, non-voting, non-participating, non-convertible, redeemable, Peso-denominated perpetual preferred shares, at an offer price of ₱100.00 per share.
<b>Instrument</b>	: Cumulative, non-voting, non-participating, non-convertible peso-denominated perpetual preferred shares (" <b>Preferred Shares</b> ")
<b>Par Value</b>	: The Preferred Shares have a par value of ₱1.00 per share.
<b>Base Offer</b>	: Up to Pesos: [One Billion (₱1,000,000,000.00)] consisting of [10,000,000] preferred shares (the " <b>Base Offer</b> ")
<b>Oversubscription Option</b>	<p>: In the event of oversubscription, the Sole Issue Manager, in consultation with the Issuer, reserves the right, without any obligation, to increase the Offer Size by up to Pesos: [Five Hundred Million (₱500,000,000.00)] consisting of [5,000,000] preferred shares, subject to the registration requirements of the SEC.</p> <p>In the event the Oversubscription Option is partly exercised or not exercised at all during the Offer Period for the Offer Shares, the Preferred Shares under the Offer registration will automatically be increased by such principal amount of Oversubscription Option shares that will not be taken up or exercised.</p>
<b>Offer Price</b>	: The Offer Shares shall be offered at a price of ₱[100.00] per share.
<b>Registration and Listing</b>	: The Initial Offer Shares are registered with the SEC under a shelf registration pursuant to SEC-MSRD Order No. [●].

The Initial Offer Shares will be listed on PSE subject to compliance with PSE listing rules.

The Series A Preferred Shares will be traded under the stock symbol BRNP.

<b>Offer Period</b>	:	The Offer Period shall commence at 9:00 a.m. on [October 11, 2021] and end at 12:00 noon on [October 19, 2021]. The Issuer, the Sole Issue Manager, Lead Underwriter, and Sole Bookrunner reserve the right to extend or terminate the Offer Period with the approval of the SEC and the PSE, as applicable.
<b>Issue Date and Listing Date</b>	:	[October 28, 2021] or such other date when the Series A Preferred Shares are listed on the PSE.
<b>Use of Proceeds</b>	:	<p>The gross proceeds of the Base Offer shall be ₱1,000,000,000.00. Should the Sole Issue Manager, Lead Underwriter, and Sole Bookrunner, in consultation with the Issuer, exercise in full the Oversubscription Option, the gross proceeds of the Offer shall be ₱1,500,000,000.00.</p> <p>The net proceeds from the Base Offer, after deducting from the gross proceeds the total issue management, underwriting and selling fees, listing fees, taxes and other related fees and out-of-pocket expenses, is estimated to be [₱972,306,809.21].</p> <p>The net proceeds from the Oversubscription Option should the Sole Issue Manager, Lead Underwriter, and Sole Bookrunner, in consultation with the Issuer, exercise in full the Oversubscription Option, after deducting gross proceeds, underwriting and selling fees, listing fees, and taxes is estimated to be [₱1,466,433,651.32].</p> <p>The Company will use the net proceeds for the development of pipeline real estate projects, landbanking, finance future funding requirements of Irradiation Solutions Inc. and for other general corporate purposes. See "Use of Proceeds" in the Offer Supplement.</p>
<b>Dividend Rate</b>	:	The initial dividend rate shall be at the fixed rate of [6.50%] to [7.00%] per annum (the "Initial Dividend Rate").
<b>Dividend Payment Dates</b>	:	<p>Cash dividends will be payable on [●], [●], [●], and [●] of each year (each a "Dividend Payment Date"), being the last day of each 3-month period (a "Dividend Period"), as and if declared by the Board of Directors in accordance with the terms and conditions of the Preferred Shares.</p> <p>The first Dividend Payment Date will be on the 1st quarter after the Listing Date and the succeeding dates will be the following 3-month periods after it.</p> <p>If the Dividend Payment Date is not a Banking Day, dividends will be paid on the next succeeding Banking Day, without adjustment as to the amount of dividends to be paid.</p>



A "Banking Day" means a day, except Saturday or Sunday or legal holidays, in which facilities of the Philippine banking system are open and available for clearing and the bank are open for business in Metro Manila, Philippines.

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**Dividend Rate Step-Up** : If the Preferred Shares shall not have been redeemed by the Issuer on the First Optional Redemption Date, the Initial Dividend Rate shall be adjusted to the higher of (a) the simple average of the closing per annum rate of 10-year BVAL or if the 10-year BVAL rate is not available or cannot be determined, any successor rate as determined by the Bankers Association of the Philippines ("BAP") or the Bangko Sentral ng Pilipinas ("BSP"), as shown on the PDEX page (or such successor page of Bloomberg (or such electronic service provided) for the three (3) consecutive Business Days preceding and inclusive of the rate setting date, plus [5.00%]; or (b) the floor rate of [9.75%].

The date of listing of the Preferred Shares is referred to as the "Listing Date". The 5th anniversary from the Listing Date referred to as the "Step Up Date". The adjusted rate referred to as a "Step Up Rate".

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**Conditions on Declaration and Payment of Cash Dividends** : The declaration and payment of cash dividends on each Dividend Payment Date will be subject to the discretion of the Board of Directors, the covenants (financial or otherwise) in the loans and credit agreements to which the Issuer is a party and the requirements under applicable laws and regulations.

If the profits available for distribution as cash dividends are, in the opinion of the Board of Directors, not sufficient to enable the Issuer to pay in full cash dividends on the Preferred Shares and cash dividends that are scheduled to be paid on or before the same date on shares that have an equal right to dividends as the Preferred Shares ("**Comparable Shares**"), the Issuer is required to pay cash dividends on the Preferred Shares and any Comparable Shares pro rata to the amount of the cash dividends scheduled to be paid to the Preferred Shares and the Comparable Shares, respectively. For purposes of this paragraph, the amount scheduled to be paid shall include all dividends due on such Dividend Payment Date as well as all accumulated dividends due and payable or dividends in arrears in respect of prior Dividend Periods ("**Dividends in Arrears**").

The profits available for distribution are, in general and with some adjustments pursuant to applicable laws and regulations, equal to the accumulated, realized profits of the Issuer less accumulated, realized loss.

Holders of the Offer Shares shall not be entitled to participate in any other or further dividends, cash, property or stock beyond the dividends specifically payable on the Offer Shares.

ABCI will covenant that, in the event:

- any cash dividends due with respect to any Preferred Shares then outstanding for any period are not declared

and paid in full when due;

- where there remains outstanding Arrears of Dividends; or
- any other amounts payable under the terms and conditions of the Offer Shares described in the Prospectus are not paid in full when due for any reason,

then it will not declare or pay any dividends or other distributions in respect of, or repurchase or redeem, securities ranking *pari passu* with, or junior to, the Offer Shares (or contribute any moneys to a sinking fund for the redemption of any securities ranking *pari passu* with, or junior to, the Offer Shares) until any and all Arrears of Dividends and accrued but unpaid cash dividends have been paid to the holders of the Offer Shares.

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**Optional Redemption and Purchase :** As and if declared by the Board of Directors of the Issuer and subject to the requirements of applicable laws and regulations, the Issuer may, at its sole option, redeem in whole (but not part), the Preferred Shares 5th Anniversary from the Listing Date (the "**First Optional Redemption Date**") or on any Dividend Payment Date occurring thereafter (each of the First Optional Redemption Date and the Dividend Payment Dates thereafter, a "**Optional Redemption Date**") at a redemption price equal to the Offer Price of the Preferred Shares plus all dividends due on such Optional Redemption Date as well as all Dividends in Arrears ("**Redemption Price**").

The Issuer shall give not less than thirty (30) nor more than sixty (60) days prior written notice of its intention to redeem the Preferred Shares (the "**Notice of Redemption**"), which notice shall be irrevocable and binding upon the Issuer to effect such early redemption of the Preferred Shares at the Optional Redemption Date stated in such notice. For the avoidance of doubt, the Redemption Price will not be subject to, and independent from, the prevailing share price of the Preferred Shares at the time of redemption. Such notice to redeem shall be deemed irrevocable upon issuance thereof. The Notice of Redemption shall likewise indicate the Record Date for the Optional Redemption of the relevant Redeemed Shares, the payment mode of the Redemption Price to the relevant shareholders, and the general terms, among others. Moreover, the Company shall request for voluntary trading suspension of the relevant Redeemed Shares effective on Record Date until the Optional Redemption Date.

The Issuer may also redeem the Preferred Shares, in whole but not in part, at any time if an Accounting Event or a Tax Event has occurred and is continuing, having given not less than thirty (30) nor more than sixty (60) days' written notice prior to the intended date of redemption, which notice shall be irrevocable and binding upon the Issuer to effect such redemption of the Preferred Shares at the redemption date stated in such notice. The redemption due to an Accounting Event or a Tax Event shall be made by the Issuer at the Redemption Price, which shall be paid within five Banking



Days of the exercise of the right to redeem the Preferred Shares on the date of redemption set out in the notice.

<b>No Sinking Fund</b>	:	The Issuer has not established, and currently has no plans to establish, a sinking fund for the redemption of the Offer Shares.
<b>Redemption by reason of an Accounting Event</b>	:	If in the opinion of the Issuer, with due consultation with its external auditor authorized to perform auditing services in the Republic of the Philippines, there is more than an insubstantial risk that the Preferred Shares may no longer be recorded as equity in the audited consolidated financial statements of the Issuer prepared in accordance with PFRS, or such other accounting standards which succeed PFRS as adopted by the Issuer for the preparation of its audited consolidated financial statements for the relevant financial year, and such event cannot be avoided by use of reasonable measures available to the Issuer, the Issuer having given not more than 60 nor less than 30 days' notice, may redeem the Preferred Shares in whole, but not in part at the Redemption Price.
<b>Redemption by reason of a Tax Event</b>	:	In the event payments in respect of the Preferred Shares become subject to additional withholding or any new tax (including a higher rate of an existing tax) as a result of certain changes in law, rule or regulation, or in the interpretation thereof, and such tax cannot be avoided by use of reasonable measures available to the Issuer, the Issuer having given not more than 60 nor less than 30 days' notice, may redeem the Preferred Shares at any time in whole but not in part, at the Redemption Price.
<b>Purchase of the Offer Shares</b>	:	Upon listing on the PSE, the Issuer may purchase the Preferred Shares at any time in the open market or by public tender or by private contract at any price through the PSE. The Preferred Shares so purchased may either be redeemed (pursuant to their terms and conditions as set out in the Prospectus) and cancelled, or kept as treasury shares, as applicable.
<b>Taxation</b>	:	<p>All payments in respect of the Preferred Shares are to be made free and clear of any deductions or withholding for or on account of any future taxes or duties imposed by or on behalf of Republic of the Philippines, including but not limited to, stamp, issue, registration, documentary, value added or any similar tax or other taxes and duties, including interest and penalties. If such taxes or duties are imposed, the Issuer will pay additional amounts so that holders of the Preferred Shares will receive the full amount of the relevant payment which otherwise would have been due and payable. Provided, however, that the Issuer shall not be liable for, and the foregoing payment undertaking of the Issuer shall not apply to:</p> <ol style="list-style-type: none"> <li>any withholding tax applicable on dividends earned or on any amounts payable to the holders of the Preferred Shares, including any additional tax on such dividends imposed by changes in law, rule, or regulation;</li> <li>any income tax, including capital gains tax, (whether or not subject to withholding); percentage tax (such as stock</li> </ol>

transaction tax), documentary stamp tax or other applicable taxes on the redemption (or receipt of the redemption price) of the Preferred Shares or on the liquidating distributions as may be received by a holder of the Preferred Shares;

- c. any expanded value added tax which may be payable by any holder of the Preferred Shares on any amount to be received from the Issuer under the terms and conditions of the Preferred Shares;
- d. any withholding tax, including any additional tax imposed by changes in law, rule, or regulation, on any dividends payable to any holder of Preferred Shares or any entity which is a non-resident foreign corporation; and
- e. any applicable taxes on any subsequent sale or transfer or redemption of the Preferred Shares by any holder of the Preferred Shares which shall be for the account of the said holder (or the buyer in case such buyer shall have agreed to be responsible for the payment of such taxes).

All sums payable by the Issuer to tax-exempt entries shall be paid in full without deductions for taxes, duties, assessments or governmental charges provided said entities present sufficient proof of such tax-exempt status from the tax authorities.

Documentary stamp tax and all other costs and expenses for the issuance of the Preferred Shares and the documentation, if any, shall be for the account of the Issuer.

The applicable taxes to any subsequent sale of the Offer Shares by any holder of the Offer Shares shall be for the account of the said holder.

<b>Form, Title and Registration of Preferred Shares</b>	<b>and the</b>	<b>:</b>	<p>The Preferred Shares will be issued in scripless form through the electronic book-entry system of [Professional Stock Transfer, Inc.] as Registrar for the Offer ("<b>Registrar</b>"), and lodged with Philippine Depository &amp; Trust Corp. ("<b>PDTC</b>") as Depository Agent on Listing Date through PSE Trading Participants respectively nominated by the applicants. For this purpose, applicants shall indicate in the proper space provided for in the Application Form the name of a PSE Trading Participant under whose name their shares will be registered.</p>
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After Listing Date, holders of the Preferred Shares (the "**Shareholders**") may request the Registrar, through their respective nominated PSE Trading Participants, to (a) open a scripless registry account and have their holdings of the Preferred Shares registered under their name, or (b) issue stock certificates evidencing their investment in the Preferred Shares. Any expense that will be incurred in relation to such registration or issuance shall be for the account of the requesting shareholder.

Legal title to the Preferred Shares will be shown in an electronic register of shareholders ("**Registry of Shareholders**") which



shall be maintained by the Registrar. The Registrar shall send a transaction confirmation advice confirming every receipt or transfer of the Preferred Shares that is effected in the Registry of Shareholders (at the cost of the requesting shareholder). The Registrar shall send (at the cost of the Issuer) at least once every quarter a statement of account to all shareholders named in the Registry of Shareholders, except certificated shareholders and depository participants, confirming the number of shares held by each shareholder on record in the Registry of Shareholders. Such statement of account shall serve as evidence of ownership of the relevant shareholder as of the given date thereof. Any request by shareholders for certifications, reports or other documents from the Registrar, except as provided herein, shall be for the account of the requesting Shareholder.

For scripless shares, the maintenance and custody fee payable to the PDTC shall be for the account of the shareholder.

<b>Selling and Restrictions</b>	<b>Transfer :</b>	Initial placement and subsequent transfers of interests in the Preferred Shares shall be subject to normal selling restrictions for listed securities as may prevail in the Philippines from time to time.
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<b>Governing Law</b>	<b>:</b>	The Preferred Shares will be issued pursuant to the laws of the Philippines.
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#### Features of the Preferred Shares

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<b>Status</b>	<b>:</b>	The Preferred Shares will constitute the direct and unsecured subordinated obligations of the Company ranking at least <i>pari passu</i> in all respects and ratably without preference or priority among themselves.
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In the event of the winding-up of the Company, the Preferred Shares rank junior in right of payment to all indebtedness of the Company and junior in right of payment to securities of, or claims against, the Company which rank or are expressed to rank senior to the Preferred Shares. The Preferred Shares, however, rank in *pari passu* with the other Preferred Shares. There is a substantial risk that an investor in the Preferred Shares will not receive any return of the principal amount or any unpaid amounts due under the terms of the Offer unless ABCI can satisfy in full all of its other obligations ranking senior to the Preferred Shares.

The Company is at liberty from time to time without the consent of the holders of the Preferred Shares to create and issue additional preferred shares or securities either (a) ranking at least *pari passu* in all respects with the Preferred Shares, or (b) upon such terms as to ranking, distributions, conversion, redemption and otherwise as the Company may determine at the time of the issue.

<b>Dividend Cumulative</b>	<b>:</b>	Dividends on the Preferred Shares will be cumulative. If for any reason the Board of Directors of the Company does not declare a dividend on the Preferred Shares for a Dividend Period, the Company will not pay a dividend on the Dividend Payment Date for that Dividend Period. However, on any future Dividend Payment Date on which dividends are declared, holders of the
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Preferred Shares must receive the dividends due them on such Dividend Payment Date as well as any dividends in which the declaration and/or payment have been deferred, in respect of prior Dividend Periods (the "**Arrears of Dividends**").

<b>No Voting Rights</b>	:	Holders of the Preferred Shares shall not be entitled to vote at the Company's stockholders' meetings, except as otherwise provided by law.
<b>Non-Participating</b>	:	Holders of the Preferred Shares shall not be entitled to participate in any other or future dividends beyond the dividends specifically payable on the Preferred Shares.
<b>Non-Convertible</b>	:	Holders of the Preferred Shares shall have no right to convert the Preferred Shares to any other preferred shares or common shares of the Company.
<b>No Pre-emptive Rights</b>	:	Holders of the Preferred Shares shall have no pre-emptive rights to subscribe to any shares (including, without limitation, treasury shares) that will be issued or sold by the Company.
<b>Liquidation Rights</b>	:	In the event of a return of capital in respect of the liquidation, dissolution or winding up of the affairs of ABCI but not on a redemption or purchase by ABCI of any of its share capital, the holders of the Preferred Shares at the time outstanding will be entitled to receive, in Pesos, out of the assets of ABCI available for distribution to shareholders, together with the holders of any other of the shares of ABCI ranking, as regards repayment of capital, <i>pari passu</i> with the Offer Shares and before any distribution of assets is made to holders of any class of the shares of ABCI ranking junior to the Preferred Shares as regards repayment of capital, liquidating distributions in an amount equal to the Redemption Price as of (and including) the date of commencement of the winding up of ABCI or the date of any such other return of capital, as the case may be. If, upon any return of capital in the winding up of ABCI, the amount payable with respect to the Preferred Shares and any other shares of ABCI ranking as to any such distribution <i>pari passu</i> with the Preferred Shares are not paid in full, the holders of the Preferred Shares and of such other shares will share proportionately in any such distribution of the assets of ABCI in proportion to the full respective preferential amounts to which they are entitled. After payment of the full amount of the liquidating distribution to which they are entitled, the holders of the Preferred Shares will have no right or claim to any of the remaining assets of ABCI and will not be entitled to any further participation or return of capital in a winding up.
<b>Other Terms of the Offer</b>		
<b>Minimum Subscription to the Preferred Shares</b>	:	Each Application shall be for a minimum of [●] Initial Offer Shares, and thereafter, in multiples of [●] Initial Offer Shares. No Application for multiples of any other number of Initial Offer Shares will be considered.
<b>Eligible Investors</b>	:	The Initial Offer Shares may be owned or subscribed to by any Philippine and non-Philippine citizens residing in the Philippines



or corporations or judicial entities organized and existing under Philippine law. However, under certain circumstances, the Company may reject an Application or reduce the number of the Initial Offer Shares applied for subscription.

Subscription to the Initial Offer Shares may be restricted in certain jurisdictions. Foreign investors interested in subscribing or purchasing the Initial Offer Shares should inform themselves of the applicable legal requirements under the laws and regulations of the countries of their nationality, residence or domicile, and as to any relevant tax or foreign exchange control laws and regulations affecting them personally. Foreign investors, both corporate and individual, warrant that their purchase of the Initial Offer Shares will not violate the laws of their jurisdiction and that they are allowed to acquire, purchase and hold the Initial Offer Shares.

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**Procedure for Application :** [Applications to Purchase the Initial Offer Shares may be obtained from the Sole Issue Manager, Lead Underwriter, and Sole Bookrunner or the Selling Agents. All Applications shall be evidenced by the Application to Purchase, duly executed in each case by an authorized signatory of the applicant and accompanied by two (2) completed signature cards, the corresponding proof of full payment for the Initial Offer Shares covered by the Application and all other required documents including documents required for registry with the registrar and depository agent. The duly executed Application to Purchase and required documents should be submitted to the Sole Issue Manager, Lead Underwriter, and Sole Bookrunner or Selling Agents by the end of the Offer Period. 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 other constitutive documents, each as amended to date, duly certified by the corporate secretary;

applicant's SEC certificate of registration, duly certified by the corporate secretary; and

a duly notarized corporate secretary's certificate setting forth the resolution of the applicant's board of directors or equivalent body authorizing (i) the purchase of the Initial Offer Shares indicated in the application and (ii) the designated signatories for the purpose, including their respective specimen signatures.

Individual applicants must also submit a photocopy of any one (1) of the following identification cards ("ID"): passport/driver's license, company ID, Social Security System/Government Service and Insurance System ID and/or Senior Citizen's ID or such other ID and documents as may be required by or acceptable to the selling bank.

An applicant who is exempt from or is not subject to withholding tax or who claims reduced tax treaty rates must indicate such exemption or entitlement in the Application to Purchase and also submit additional documents as may be required by the Issuer,



including but not limited to, the documents described on page 22 of the Offer Supplement.]

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**Payment for the Preferred Shares** : [The proof of full payment for the Initial Offer Shares covered by the Application must be submitted together with the Application to Purchase and all other required documents.

Payment shall be in the form of either:

For the Trading Participants, (i) a personal or corporate check drawn against an account with a BSP authorized bank having a clearing period of no more than one (1) Banking Day; (ii) a manager's or cashier's check issued by a BSP authorized bank having a clearing period of no more than one (1) Banking Day; or (iii) a direct deposit to the designated bank account to be indicated in the Implementing Guidelines for the Reservation and Allocation of ABCI's Series A Preferred Shares through the Sole Issue Manager, Lead Underwriter, and Sole Bookrunner ("TP Guidelines") to be included in the sales kit for Trading Participants. Proof of full payment must be submitted to the Receiving Agent, together with the Application to Purchase and required attachments.

All checks should be made payable to "[ABCI Preferred Shares Offer]", crossed "Payee's Account Only".

Payment may also be done through RTGS or fund/on-line/ATM/wire transfer to the designated bank account (at the Trading Participant's expense for additional charges, if any) with details indicated in the TP Guidelines.

Outbound remittances via RTGS are subject to fees from the remitting bank. The said fee will depend on the respective policies of the remitting bank and is for the account of the investor.

For applicants submitting their Application to Purchase to the Sole Issue Manager, Lead Underwriter, and Sole Bookrunner, in accordance with the instructions to be provided.]

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**Acceptance/Rejection of Applications** : The actual number of the Initial Offer Shares that an applicant will be allowed to subscribe to is subject to the confirmation of the Sole Issue Manager, Lead Underwriter, and Sole Bookrunner. The Company reserves the right to accept or reject, in whole or in part, or to reduce any application due to any grounds specified in the relevant underwriting agreement to be entered into by the Company with the Sole Issue Manager, Lead Underwriter, and Sole Bookrunner. Applications which were unpaid or where payments were insufficient and those that do not comply with the terms of the Offer shall be rejected. Moreover, any payment received pursuant to the Application does not constitute as approval or acceptance by the Company of the Application.

An Application, when accepted, shall constitute an agreement between the applicant and the Company for the subscription to the Initial Offer Shares at the time, in the manner and subject to terms and conditions set forth in the Application to Purchase and

those described in the Prospectus for the Offer and the Offer Supplement. Notwithstanding the acceptance of any Application by the Company, the actual subscription by the applicant for the Initial Offer Shares will become effective only on the relevant Issue Date.

**Refunds for Rejected Applications** : In the event that the number of the Initial Offer Shares to be allotted to an applicant, as confirmed by the Sole Issue Manager, Lead Underwriter, and Sole Bookrunner or Selling Agent, is less than the number covered by its Application, or if an Application is wholly or partially rejected by the Company, then the Company shall refund, without interest, starting on the fifth (5th) Banking Day following the end of the Offer Period, all, or a portion of the payment corresponding to the number of the Initial Offer Shares wholly or partially rejected, as applicable. All refunds shall be made through the Sole Issue Manager, Lead Underwriter, and Sole Bookrunner or Selling Agent with whom the applicant has filed the Application at the risk of the applicant.

**Local Small Investors** : The Company will not allocate any Initial Offer Shares for the Local Small Investors Program of the PSE.

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

SEC en Banc approval and issuance of Pre-effective letter	[September 28], 2021
PSE Board Approval	[October 4], 2021
Dividend Rate Setting	[October 5], 2021
Issuance of Permit to Sell and Order of Registration	[October 8], 2021
Offer Period	[October 11 to 19, 2021]
Deadline for PSE Trading Participants' Submission of Firm Undertaking	[October 13], 2021
Release of Allocation Notices to PSE Trading Participants	[October 14], 2021
Listing Date and commencement of trading on the PSE	[October 28, 2021]

Any change in the dates included above may be subject to approval of the SEC and PSE, as applicable, and other conditions.

**Sole Issue Manager, Lead Underwriter, and Sole Bookrunner** : PNB Capital and Investment Corporation

**Depository Agent** : Philippine Depository & Trust Corp.

**Registrar and Stock Transfer Agent** : Professional Stock Transfer, Inc.

**Receiving Agent** : Professional Stock Transfer, Inc.

<b>Selling Agents</b>		:	PSE Trading Participants
<b>Counsel to the Issuer</b>		:	Picazo Buyco Tan Fider & Santos
<b>Counsel to the Underwriters</b>		:	Romulo Mabanta Buenaventura Sayoc & de los Angeles



REPUBLIC OF THE PHILIPPINES )  
PASIG CITY ) S.S.

### SECRETARY'S CERTIFICATE

**JASON C. NALUPTA**, of legal age, with office address at \_\_\_\_\_, being the Corporate Secretary of **A BROWN COMPANY, INC.** (the "Corporation"), a corporation duly organized and existing under the laws of the Philippines, under oath, does hereby certify that no action or proceeding has been filed or is pending before any court involving an intra-corporate dispute and/or claim by any person or group against the Board of Directors of the Corporation, individual directors and/or major corporate officers of the Corporation in their capacity as duly elected directors or officers of the Corporation.

IN ATTESTATION OF THE ABOVE, this Certificate has been signed this \_\_\_\_ day of JUL 12 2021 in Pasig City.




**JASON C. NALUPTA**  
Corporate Secretary

**SUBSCRIBED AND SWORN** to before me this JUL 12 day of 2021 2021 at Pasig City, Metro Manila, affiant exhibiting to me his \_\_\_\_\_ issued at \_\_\_\_\_ on \_\_\_\_\_ which expires on \_\_\_\_\_ as his competent evidence of identity.

Doc. No. 107 ;  
Page No. 23 ;  
Book No. 41 ;  
Series of 2021.

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**YSABEL KATHRYN M. SANTOS**  
Notary Public for  
Pasig City, San Juan, Taguig & Pateros  
Appointment No. 231 (2019-2020)  
(Commission Extended until 31 December 2021  
per Supreme Court Resolution dated 22 June 2021)  
2704 East Tower, PSE Centre, Exchange Road  
Ortigas Center, 1605 Pasig City  
PTR No. 6515070101.29 21/Pasig  
IBP LRN No. 016949/08 28 2019/PSM  
Roll of Attorneys No. 70409  
MCLE No VI-0017136/01 10 19