



Alsons Consolidated Resources, Inc.
(Listed in the Philippine Stock Exchange Trading "ACR")
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August 28, 2020

Securities & Exchange Commission
Attn.: Atty. Vicente Graciano P. Felizmenio, Director
Markets and Securities Regulations Department
Secretariat Bldg., PICC Complex, Roxas Blvd., Pasay City

via PSE EDGE
Philippine Stock Exchange, Inc.
Attn.: Ms. Janet A. Encarnacion, Head
Disclosure Department Listings and Disclosure Group
9th Floor, PSE Tower, BGC, Taguig City

via electronic mail
Philippine Dealing & Exchange Corp.
Attn.: Atty. Marie Rose M. Magallen-Lirio
Head-Issuer Compliance and Disclosures Dept.
Market Regulatory Services Group
29/F, BDO Equitable Tower,
8751 Paseo de Roxas, Makati City

Gentlemen:

We are furnishing the Exchange with a copy of the Press Statement by the Company entitled: **SEC greenlights second tranche of Alsons Commercial Papers Issuance**

We trust that you will find the foregoing in order.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Angel M. Esguerra, III'.

Angel M. Esguerra, III
Assistant Corporate Secretary &
Compliance Officer



PRESS RELEASE

Refer to: Philip E.B. Sagun, Deputy Chief Financial Officer, Alsons Consolidated Resources, Inc.
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SEC greenlights second tranche of Alsons Commercial Papers Issuance

The Securities and Exchange Commission (SEC) has authorized Alsons Consolidated Resources, Inc. (ACR) to proceed with the sale of the second tranche (₱1 billion) of ACR's Commercial Papers (CP) Program of up to ₱2.5 billion registered with the SEC in 2018. The issuance will provide ACR—the publicly-listed company of the Alcantara Group, with interim funding for the company's ongoing projects.

ACR—the first private sector power generator in Mindanao—currently has a portfolio of four power facilities with an aggregate capacity of 468 mega-watts (MW) serving over eight million people in 14 cities and 11 provinces including key urban centers such as Cagayan de Oro, General Santos, Iligan, and Zamboanga City.

The company is slated to focus on renewables for the long-term with eight run-of-river hydroelectric power plants in its pipeline one of which is currently under construction. Once completed and operational these hydro power plants will comprise the bulk of the company's power facilities. Emphasizing the company's pivot to RE, ACR Chairman and President Tomas I. Alcantara stated, "In the next few years, in terms of the number of power facilities, renewable energy will constitute the largest segment in Alsons' power portfolio." ACR Deputy Chief Financial Officer Philip Edward B. Sagun added, "We expect that renewable energy contribution to ACR earnings will be more than 35% in the mid-term once our first three hydro plants are operating. In the long-term, when all eight hydro plants are operating, we project that renewable energy contribution to ACR earnings will be around 45%."

The company is also developing the 105 MW San Ramon Power, Inc. (SRPI) baseload coal-fired power plant in Zamboanga City. The engineering, procurement, and construction contract for the SRPI plant will be signed within the third quarter of this year with construction expected to begin in early 2021. The ₱16 billion SRPI plant is expected to begin commercial operations in 2023 to provide much needed baseload power to Zamboanga City and nearby areas.

Earlier this year, the second tranche of the ACR's CP issuance received "PRS A plus (corp.) with a Stable Outlook" issuer credit rating from the Philippine Rating Services Corporation (PhilRatings). According to PhilRatings, a PRS A plus (corp.) rating means the Company has an above average capacity to meet its financial commitments relative to other Philippine corporates. Among the factors cited by PhilRatings as basis for the rating were "the positive growth prospects for Mindanao which will bring about an increasing demand for power," and ACR's "ability to establish joint ventures with strong partners for particular projects." The "Stable Outlook" given to the ACR CP issuance is assigned when a rating is likely to be maintained or to remain unchanged in the next twelve months.

ACR earlier reported a significant increase in consolidated net earnings in the first half of 2020 to ₱1.39 billion from ₱293.08 million in the first half of 2019. Net earnings attributable to the parent in the first six months of 2020 climbed to ₱331.98 million from ₱23.38 million in 2019. ACR's revenues in the first half of 2020 increased to ₱5.28 billion from ₱3.10 billion the previous year.

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