

# SECURITIES AND EXCHANGE COMMISSION

## SEC FORM 19-1

### TENDER OFFER REPORT

Check the appropriate box:

Initial Filing

Amendment

Amendment No.

N/A

Item/s amended by the Filing

N/A

1. Exact Name of Subject Company as Specified in its Charter

Medco Holdings, Inc.

a. Address of Principal Offices

31st Floor, Rufino Pacific Tower, 6784 Ayala Ave., Makati City, Metro Manila, Philippines

Postal Code

1229

b. SEC Identification Number

39652

c. Industry Classification Code(SEC Use Only)

d. BIR Tax Identification No.

004-844-938-000

2. Name of Bidder

Bonham Strand Investments Ltd.

a. Address of Bidder

1 Kay Siang Road #12-02 Singapore

Postal Code

-

3. Title or Class of Securities Subject to Tender Offer

COMMON SHARES

*The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.*

# MEDCO Holdings, Inc.

## MED

### PSE Disclosure Form 17-16 - Tender Offer Report

*Reference: SRC Rule 19*

#### Basic Terms and Conditions

|                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Tender Offer Shares</b>                           | 635,747,315                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Tender Offer Price/Consideration</b>              | Php0.05 per common share                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Entitlement</b>                                   | Common Shares                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Start of Tender Offer Period</b>                  | Nov 11, 2022                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>End of Tender Offer Period</b>                    | Dec 12, 2022                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Closing Date</b>                                  | Dec 12, 2022                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Cross Date</b>                                    | Dec 19, 2022                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Settlement Date</b>                               | Dec 22, 2022                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Contact Details for Inquiries on Tender Offer</b> | <p>For inquiries regarding the Tender Offer, please contact the Tender Offer Agent at the contact details set forth below:<br/>BA Securities, Inc.<br/>Suite 401-403 CLMC Bldg., 259-269 EDSA Greenhills, Mandaluyong City, Metro Manila, Philippines 1550<br/>Contact Person/Telephone Number/Email Address<br/>Maria Fe Tan/(+632)87275374; (+632)87220132;<br/>+639164363210/settlement@basecuritiesinc.com.ph<br/>Rodalyn Serrano/(+632)87275374; (+632)87220132;<br/>+639164908917/accounting@basecuritiesinc.com.ph</p> |

#### Results of Tender Offer

The Company will make the appropriate disclosures upon receipt of the results from Bonham Strand Investments Ltd. (the "Bidder") after the tender offer period.

#### Other Relevant Information

The Company received the attached Tender Offer Report (SEC Form 19-1) from the Bidder to acquire up to 635,747,315 common shares of the Company through a tender offer to all shareholders of the Company.

**Contact Details for Inquiries on Tender Offer (continued):**

For inquiries on the number of shares and stock certificates of a shareholder in the Company, please contact the Company's Stock and Transfer Agent at the contact details set forth below:

Professional Stock Transfer, Inc.  
10/F, Eastern Telecom Plaza Building, 316 Sen. Gil Puyat Ave., Makati City  
Contact Person : Jeneline Serafica  
Tel. No. (+632) 8687-4053  
Email: info@professionalstocktransfer.com

The complete address of Bonham Strand Investments Ltd. is as follows:  
Address : 1 Kay Siang Road #12-02 Singapore  
Postal Code : 248922

**Filed on behalf by:**

|                    |                  |
|--------------------|------------------|
| <b>Name</b>        | Mary Ann Miel    |
| <b>Designation</b> | Chief Accountant |



NCOM7H0DID

## NOTARIAL CERTIFICATE

TO ALL TO WHOM these presents shall come

I, Kang Gim Swee, NOTARY PUBLIC duly admitted, authorised to practise in the Republic of Singapore, DO HEREBY CERTIFY

that I was present in Singapore on 26th day of September 2022 and did see the Securities And Exchange Commission, SEC Form 19-1, Tender Offer Report signed by Peter Tay Yew Beng for Bonham Strand Investments Ltd., and the documents attached hereto are the said mentioned documents.

IN FAITH AND TESTIMONY whereof I the said notary have subscribed my name and set and affixed my seal of office at Singapore, this 26th day of September 2022.



NOTARY PUBLIC  
SINGAPORE



By virtue of Rule 8(1) of the Notaries Public Rules, a Notarial Certificate must be authenticated by the Singapore Academy of Law in order to be valid.

With effect from 16 September 2021, a Notarial Certificate shall be deemed to be validly authenticated by the affixing of an Apostille to the back of the Notarial Certificate.

# APOSTILLE

(Convention de La Haye du 5 Octobre 1961)

This **Apostille** only certifies the authenticity of the signature, seal or stamp and the capacity of the person who has signed the attached Singapore public document, and, where appropriate, the identity of the seal or stamp. It does not certify the authenticity of the underlying document.

If this document is to be used in a country not party to the Hague Convention of the 5th of October 1961, it should be presented to the consular section of the mission representing that country.

To verify this **Apostille**, go to

<https://legalisation.sal.sg>

or scan QR code:



Verification code: 42542691

1. **Country:** Singapore

## This public document

2. **Has been signed by:** Kang Gim Swee

3. **Acting in the capacity of:** Notary Public

4. **Bears the seal/stamp of:** Notary Public

## Certified

5. **At:** Singapore Academy of Law

6. **The:** 28th September 2022

7. **By:** Melissa Goh, Head of Statutory Services, SAL

8. **No.:** AC0M7J0HOD

9. **Seal/Stamp:**

10. **Signature:**

Melissa Goh



**SECURITIES AND EXCHANGE COMMISSION**  
**SEC FORM 19-1**  
**TENDER OFFER REPORT**

Check the appropriate box:

☒

Initial Filing

☐

Amendment  
Amendment No.

Items Amended by the Filing:

1. Exact Name of Subject Company as Specified in its Charter

**MEDCO HOLDINGS, INC.**

- (a) Address of Principal Offices

**31/F Rufino Pacific Tower, 6784 Ayala Avenue, Makati City 1229, Philippines**

- (b) SEC Identification Number 39652 (c) Industry Classification Code (SEC Use Only)

- (d) BIR Tax Identification Number: 004-844-938

2. Name of Bidders

**BONHAM STRAND INVESTMENTS LTD.**

- (a) Address of Principal Offices

**1 Kay Siang Road #12-02 Singapore 248922**

3. Title or Class of Securities Subject to Tender Offer

**Common Shares**

## Item 1. Subject Company and Class of Security Subject to the Tender Offer

- (a) The subject company is Medco Holdings, Inc. ("MED"), a corporation organized and existing under the laws of the Republic of the Philippines, with principal office address 31/F Rufino Pacific Tower, 6784 Ayala Avenue, Makati City 1229, Philippines.
- (b) As of 31 August 2022, MED has an authorized capital stock of Four Hundred Seventy Million Pesos (₱470,000,000.00) divided into Nine Billion Four Hundred Million (9,400,000,000) Common Shares with a par value of Five Centavos (₱0.05) per share. Out of the authorized capital stock, a total of Three Billion One Hundred Fifty-Nine Million Two Hundred Ninety-Two Thousand Four Hundred Forty-One (3,159,292,441) Common Shares are outstanding and fully paid-up.

The following are the principal stockholders of MED:

- (i) Bonham Strand Investments Ltd. (the "Bidder"), holding 2,201,179,241 common shares equivalent to 69.67% of the total outstanding shares of MED; and
- (ii) Citivest Asia Limited ("Citivest"), holding 322,314,874 common shares equivalent to 10.20% of the total outstanding shares of MED.

On 24 April 2018, the Securities and Exchange Commission (SEC) approved the decrease in MED's authorized capital stock from ₱700,000,000 divided into 700,000,000 common shares to ₱35,000,000 divided into 700,000,000 common shares by reducing the par value per share from ₱1.00 to ₱0.05. On 24 April 2018, the SEC approved MED's application for increase of its capital stock from ₱35,000,000 divided into 700,000,000 common shares to ₱470,000,000 divided into 9,400,000,000 shares. The Bidder subscribed to a total of 2,201,179,241 common shares issued out of MED's increase in authorized capital stock at a subscription price of Five Centavos (₱0.05) per share which was paid through the assignment of debts by MED to the Bidder amounting to ₱110,058,962.05 pursuant to a Subscription Agreement dated 31 May 2017.

As a result of the foregoing subscription by the Bidder to new shares in MED, the Bidder holds, directly and indirectly, approximately 69.67% of the total issued and outstanding capital stock of MED.

This subscription resulted in the Bidder acquiring control over at least 51% voting shares in MED and trigger a mandatory tender offer under Section 19 of the Securities Regulation Code ("SRC") and the 2015 Implementing Rules and Regulations ("SRC IRR").

There are 635,747,315 common shares representing approximately 20.12% of the current outstanding capital stock of MED, held by shareholders other than the Bidder, Citivest, and members of the Board of Directors and the officers of MED (the "Excluded Shareholders").

As required under a mandatory tender offer, the Bidder is prepared and offers to acquire up to 635,747,315 common shares of MED (the "Tender Offer Shares"), representing approximately 20.12% of the current outstanding common shares of MED, through a tender offer to all shareholders of MED excluding the Excluded Shareholders.

The tender offer shall be subject to the terms and conditions of the tender offer (the "Terms and Conditions of the Tender Offer") attached as Exhibit A and made an integral part hereof.

The obligation of the Bidder to purchase the Tender Offer Shares through the tender offer will be under the condition (among other conditions that the Bidder may prescribe) that during the course of the tender offer, the Tender Offer Shares will be:

- (1) Validly tendered by MED's shareholders;
- (2) Eligible for or otherwise capable of being purchased by the Bidder; and
- (3) Accepted for purchase by the Bidder.

(collectively, the "Tender Offer Conditions"). In the event that the Tender Offer Conditions are not met, the Bidder may, upon due notice to the Securities and Exchange Commission ("SEC") and the Philippine Stock Exchange ("PSE"), withdraw the tender offer.

The Tender Offer is being made at the price of Five Centavos (Php0.05) per share (the "Tender Offer Price"), which is payable by check as hereafter provided.

The Tender Offer Price does not include customary selling charges amounting to 1.74% of the total transaction value<sup>1</sup> (including broker's selling commission and taxes thereon), which shall be for the Tendering Shareholder's account.

After deducting the customary selling charges from a tendering shareholder's account, the net Tender Offer Price is estimated to be Php0.04913 per share.

Other fees such as lodgment fee and EQ trade transfer fee (as applicable) are also for the account of the Tendering Shareholder.

The Tendering Shareholder and the Bidder shall each be responsible for any selling or buying broker's commissions and/or their own broker's commissions, costs, charges, transfer taxes, and other expenses, fees, and duties incurred in connection with the tender of the Tender Offer Shares, provided that the stock transaction tax and selling broker's commission (and/or any taxes thereon) payable on the transfer of the Tender Offer Shares shall be for the account solely of the Tendering Shareholder.

The Tender Offer gives existing shareholders of MED the opportunity to sell their common shares and realize their investment if they wish to divest following the acquisition of controlling shares in MED by the Bidder. The Tender Offer Price of Five Centavos (P0.05) per share per common share represents an 82.09% discount over the six-month volume weighted average price (VWAP) and a 79.81% discount over the three-month VWAP of MED's common shares as of 21 September 2022.

The Bidder has engaged MIB Capital Corporation (the "IFA"), an independent financial advisor to give a fairness opinion on MED (the "Fairness Opinion Report"). The IFA, in its Fairness Opinion

<sup>1</sup> The customary selling charges, which amount to 1.74% of the total transaction value (including broker's selling commissions and taxes thereon which may be passed on by the broker), include:

| Type of Fees                                                                                                                                | % of Value of the Transaction |
|---------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| Brokerage Commission plus Value Added Tax                                                                                                   | 1.120%                        |
| Stock Transaction Tax (STT)                                                                                                                 | 0.600%                        |
| Securities Clearing Corporation of the Philippines (SCCP), Securities and Exchange Commission (SEC), Philippines Stock Exchange, Inc. (PSE) | 0.021%                        |

Report dated 20 September 2022, was of the opinion that the range of value of MED's common shares is between Php0.0056 per share to Php0.0101 per share. Based on this range, the IFA is of the opinion that the tender offer price of Php0.05 per share is fair from a financial point of view and provides a slight advantage to the shareholders of MED that will participate in the tender offer. A copy of the Fairness Opinion Report is attached herein as Exhibit B. An Executive Summary of the Fairness Opinion Report can be found on pages 3 to 4 thereof.

The maximum aggregate purchase price of the Tender Offer Shares that may be payable by the Bidder is approximately Php31,787,365.75. BA Securities, Inc. has confirmed that the resources available to the Bidder are sufficient to satisfy full acceptance of the Tender Offer Shares. A copy of the confirmation by BA Securities, Inc. is attached herein as Exhibit C.

The Tender Offer will start at 9:00 a.m. on 11 November 2022 and end at 5:00 p.m. on 12 December 2022 (the "Tender Offer Period"). The Bidder may extend the Tender Offer Period with prior approval from the SEC and notice to the PSE.

The accepted Tender Offer Shares are intended to be crossed at the PSE on or about 19 December 2022 (the "Cross Date"), subject to regulatory approvals.

The sale and purchase of the accepted Tender Offer Shares shall be settled on 22 December 2022 (the "Settlement Date"), subject to any extension of the Tender Offer Period with the approval of the SEC.

Any change in the Cross Date shall be announced by the Bidder in 2 newspapers of general circulation in the Philippines.

Without prejudice to the right of the Bidder (subject to prior approval by the SEC) to extend the Tender Offer Period, should any of the business days during the period from 11 November 2022, the commencement of the Tender Offer Period, and 12 December 2022, the end of the Tender Offer Period, inclusive, be officially declared as non-working holidays after the filing of the Tender Offer Report, the period shall be extended by the number of business days corresponding to those which were declared as non-working holidays. For purposes hereof, a "business day" shall mean any day other than a Saturday, Sunday, or a non-working holiday on which banks are required to be open for business in Makati City, Philippines.

(c) The common shares of MED are listed and traded on the Main Board of the PSE under the symbol "MED". The high and low transacted prices of the common shares of MED for each quarterly period during the past three years and the second quarter of 2022 are as follows:

|      |                         | Closing Price Per Common Share<br>(in ₱) |      |
|------|-------------------------|------------------------------------------|------|
|      |                         | High                                     | Low  |
| 2019 | 1 <sup>st</sup> quarter | 0.57                                     | 0.44 |
|      | 2 <sup>nd</sup> quarter | 0.60                                     | 0.44 |
|      | 3 <sup>rd</sup> quarter | 0.57                                     | 0.42 |
|      | 4 <sup>th</sup> quarter | 0.44                                     | 0.35 |
| 2020 | 1 <sup>st</sup> quarter | 0.53                                     | 0.21 |
|      | 2 <sup>nd</sup> quarter | 0.37                                     | 0.26 |
|      | 3 <sup>rd</sup> quarter | 0.44                                     | 0.26 |
|      | 4 <sup>th</sup> quarter | 0.42                                     | 0.27 |

|      |                         |      |      |
|------|-------------------------|------|------|
| 2021 | 1 <sup>st</sup> quarter | 0.62 | 0.36 |
|      | 2 <sup>nd</sup> quarter | 0.45 | 0.37 |
|      | 3 <sup>rd</sup> quarter | 0.41 | 0.32 |
|      | 4 <sup>th</sup> quarter | 0.35 | 0.28 |
| 2022 | 1 <sup>st</sup> quarter | 0.34 | 0.28 |
|      | 2 <sup>nd</sup> quarter | 0.34 | 0.25 |

## Item 2. Identity and Background

The Bidder, Bonham Strand Investments Ltd., was incorporated in British Virgin Islands on 4 January 2016 and maintains its office address at 1 Kay Siang Road #12-02 Singapore 248922. The Bidder was incorporated as an investment holding company.

Peter Tay Yew Beng, a Singaporean with business address at 1 Kay Siang Road #12-02 Singapore 248922, is the sole director of the Bidder and indirectly holds controlling interest with ownership of 100% of the total issued and outstanding voting shares of the Bidder.

During the last five (5) years, neither the Bidder nor Peter Tay Yew Beng has been convicted in a criminal proceeding.

Neither the Bidder nor Peter Tay Yew Beng is currently involved, and in the past five (5) years have been involved, in any criminal or civil proceedings before any judicial or administrative body of competent jurisdiction, domestic or foreign, where as a result of such proceedings, the Bidder or Peter Tay Yew Beng is or was subject to any order, judgment or decree, not subsequently reversed, suspended or vacated, permanently or temporarily enjoining, barring, suspending or otherwise limiting involvement in any type of business, securities, commodities or banking.

## Item 3. Purpose of the Tender Offer and Plans or Proposals of the Bidder

### (a) Purpose

The Bidder is undertaking the Tender Offer in compliance with the mandatory tender offer rules under Section 19 of the SRC and Rule 19.2 of the SRC IRR. Under said rules in any acquisition that would result in the ownership of over 50% of the total outstanding equity securities of a public company, the acquiring party is required to make a tender offer for all the outstanding equity securities to all remaining stockholders of the same public company at a price supported by a fairness opinion provided by an independent financial advisor, and the acquiring party shall be required to accept all such equity securities tendered during the tender offer.

The Tender Offer is an opportunity for shareholders to realize their investment at a discount to the share price as of 21 September 2022.

The Tender Offer gives existing shareholders of MED the opportunity to sell their common shares and realize their investment if they wish to divest following the entry of the Bidder as controlling stockholder of MED. The Tender Offer Price of \$0.05 per share per common share represents an 82.09% discount over the six-month volume weighted average price (VWAP) and a 79.81% discount over the three-month VWAP of MED's common shares as of 21 September 2022.

The IFA, in its Fairness Opinion Report dated 20 September 2022, was of the opinion that the range of value of MED's common shares is between Php0.0056 per share to Php0.0101 per share. Based on this range, the IFA is of the opinion that the tender offer price of Php0.05 per share is fair from a financial point of view and provides a slight advantage to the shareholders of MED that will participate in the tender offer. A copy of the Fairness Opinion Report is attached herein as Exhibit B. An Executive Summary of the Fairness Opinion Report can be found on pages 3 to 4 thereof.

(b) Plans and Proposals of the Bidder

After the completion of the Tender Offer, the Bidder is considering the following plans:

- i. The Bidder shall cause the election of its representatives to MED's Board of Directors and appointment of its nominees as key officers and members of management;
- ii. This Tender Offer will not result in the delisting of the Shares from the PSE; and
- iii. MED will continue to be subject to the disclosure requirements of SRC Rule 17.

Potential delisting of MED in the future

The Bidder has no plan to de-list MED from the PSE. However, if there is a high acceptance rate of the Tender Offer the ownership of the public may fall below the minimum public float level of 10%. If MED is unable or fails to comply with the minimum public ownership requirement of the PSE, involuntary delisting procedures may be initiated.

If MED will not be compliant with the minimum public ownership requirement following the completion of the Tender Offer, trading of MED's shares will be automatically suspended by the PSE for a period of six (6) months and, if during the said period, MED is still unable to comply with the minimum public ownership requirement, then delisting will follow thereafter. MED may decide within the same six-month period to keep the listed status of MED on any commercially viable options available to it in relation to maintaining the status of MED as a listed company.

If MED is delisted, its common shares will no longer be traded on the PSE, and this could affect investors' ability to liquidate their investments. Also, any capital gains generated from their subsequent sale or transfer will be subject to the prevailing capital gains taxes. Subsequent sale or transfer will also be subject to documentary stamp tax.

If MED is delisted for being unable to comply with the minimum public ownership requirement following the Tender Offer, it shall continue to be subject to the reportorial requirements under the SRC and the SRC IRR. The Bidder may cause MED to take such steps necessary to terminate its reporting obligations under the SRC.

Except as stated above, the Bidder has no present plans or proposals relating to MED which relate to or would result in:

- i. an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving MED;
- ii. a sale or transfer of a material amount of assets of MED;
- iii. any change in the present board of directors or management of MED including, but not limited to, any plan or proposal to change the number of term of directors, (however, the Bidder intends to fill the existing vacancy on the board) or to change any material term of the employment contract of any executive officer;
- iv. any material change in the present dividend rate or policy or indebtedness or capitalization of MED;

- v. any other material change in MED's corporate structure or business;
- vi. causing any class of equity securities of MED which is listed on an exchange to be no longer listed; or
- vii. causing MED to no longer be subject to the reporting requirements of SRC Rule 17.

#### **Item 4. Interest in Securities of the Issuer**

- (a) Subject to the Tender Offer Conditions, the subject of the Tender Offer is the Tender Offer Shares consisting of 635,747,315 common shares, representing approximately 20.12% of the current outstanding common shares of MED at the Tender Offer Price of Php0.05 per share.

On 24 April 2018, the Securities and Exchange Commission (SEC) approved the decrease in MED's authorized capital stock from ₱700,000,000 divided into 700,000,000 common shares to ₱35,000,000 divided into 700,000,000 common shares by reducing the par value per share from ₱1.00 to ₱0.05. On 24 April 2018, the SEC approved MED's application for increase of its capital stock from ₱35,000,000 divided into 700,000,000 common shares to ₱470,000,000 divided into 9,400,000,000 shares. The Bidder subscribed to a total of 2,201,179,241 common shares issued out of MED's increase in authorized capital stock at a subscription price of ₱0.05 per share which was paid through the assignment of debts by MED to the Bidder amounting to ₱110,058,962.05 pursuant to a Subscription Agreement dated 31 May 2017.

As a result of the foregoing subscriptions by the Bidder of new shares, the Bidder directly holds approximately 69.67% of the resulting total issued and outstanding capital stock of MED.

- (b) Except as disclosed above and the conduct of this Tender Offer, to the best of its knowledge, the Bidder is not aware of any material transaction regarding any of the shares of stock of MED (including the common shares) during the past sixty (60) days, by any of the directors or officers of MED.

#### **Item 5. Contracts, Arrangements, Understandings or Relationships regarding Securities of the Issuer**

On 31 May 2017, the Bidder, signed a Subscription Agreement with MED whereby the Bidder subscribed to 2,201,179,241 shares in MED out of the increase in the authorized capital stock of MED at a subscription price of ₱0.05 per share which was paid through the assignment of debts by MED to the Bidder amounting to ₱110,058,962.05. As a result of the foregoing subscription by the Bidder, the Bidder directly holds approximately 69.67% of the resulting total issued and outstanding capital stock of MED.

Other than that disclosed, there are no other contracts, arrangements, understandings or relationships among the Bidder and between such persons and any person with respect to any securities of MED, including, but not limited to, transfer or voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies.

To the best of the knowledge of the Bidder, other than what is disclosed in this Tender Offer Report, none of the common shares of MED are pledged or otherwise subject to a contingency, the occurrence of which gives another person voting power or investment power over such common shares.

#### **Item 6. Materials to be filed as Exhibits**

- (a) Tender offer material which is published, sent or given to security holders by or on behalf of the person filing this statement in connection with the tender offer, and

|                  |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|------------------|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Exhibit A</b> | - | Terms and Conditions of the Tender Offer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Exhibit B</b> | - | Fairness Opinion dated 20 September 2022 issued by MIB Capital Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Exhibit C</b> | - | Confirmation from BA Securities, Inc. that resources available to the Bidder are sufficient to satisfy full acceptance of the Tender Offer                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Exhibit D</b> | - | Application to Tender Offer Shares with the following annexes:<br><i>Annex A</i> – Terms and Conditions of the Tender Offer<br><i>Annex B</i> – Form of Irrevocable Power of Attorney for MED's individual shareholders<br><i>Annex C</i> – Form of Board Resolution for MED's corporate stockholders<br><i>Annex D</i> – Form of Partnership Resolution for MED's partnership stockholders<br><i>Annex E</i> – Form of Affidavit of Loss<br><i>Annex F</i> – Form of Instruction to Participating Brokers for delivering the shares of their clients to the Tender Offer Agent |
| <b>Exhibit E</b> | - | Form of Announcement of Intention to Conduct Tender Offer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Exhibit F</b> | - | Form of Letter from the Bidder to MED's stockholders transmitting the Tender Offer Report                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Exhibit G</b> | - | Form of Instruction to Participating Brokers for delivering the shares of their clients to the Tender Offer Agent, BA Securities, Inc.                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Exhibit H</b> | - | List of MED's Top 100 Shareholders as of 30 June 2022.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

- (b) Any document setting forth the terms of any contract, arrangements, understandings or relationships referred to in Item 5 of this Form.

|                  |   |                                                                     |
|------------------|---|---------------------------------------------------------------------|
| <b>Exhibit I</b> | - | Subscription Agreement dated 31 May 2017 between the Bidder and MED |
|------------------|---|---------------------------------------------------------------------|

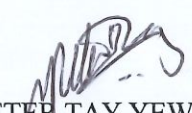
## SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct.

This report is signed in Singapore, on September 26, 2022.

**BONHAM STRAND INVESTMENTS LTD.**

By:

  
PETER TAY YEW BENG



**EXHIBIT "A" to the Tender Offer Report  
Terms and Conditions of the Tender Offer**

Bonham Strand Investments Ltd.  
1 Kay Siang Road #12-02 Singapore 248922

**TERMS AND CONDITIONS**  
Tender Offer for Common Shares in  
Medco Holdings, Inc.

Bonham Strand Investments Ltd. (the "Bidder") shall purchase new common shares in Medco Holdings, Inc. ("MED") other than the Bidder, Citivest Asia Limited ("Citivest") and the members of the Board of Directors and the officers of MED (the "Excluded Shareholders") in accordance with the Terms and Conditions set out below (the "Terms and Conditions of the Tender Offer"). Unless specifically defined herein or the context otherwise requires, capitalized terms used in these Terms and Conditions of the Tender Offer have the same meanings given to them in the Tender Offer Report (SEC Form 19-1) filed by the Bidder with MED, the Securities and Exchange Commission ("SEC") and the Philippine Stock Exchange, Inc. ("PSE") (the "Tender Offer Report").

- 1 **Bidder** : **BONHAM STRAND INVESTMENTS LTD.**
- 2 **Tender Offer Shares** : The Bidder shall acquire up to 635,747,315 common shares which will represent approximately 20.12% of the current outstanding common shares of MED, through a tender offer to all shareholders of MED other than the Excluded Shareholders.
- 3 **Tender Offer Price** : The Bidder shall purchase all Tender Offer Shares duly tendered ("Tendered Shares") by the tendering shareholders of MED ("Tendering Shareholders") at a price of Five Centavos (Php0.05) per share, payable by check.

The Tender Offer Price does not include customary selling charges amounting to 1.74% of the total transaction value<sup>1</sup> (including broker's selling commission and taxes thereon), which shall be for the Tendering Shareholder's account.

After deducting the customary selling charges from a Tendering Shareholder's account, the net Tender Offer Price is estimated to be

<sup>1</sup> The customary selling charges, which amount to 1.74% of the total transaction value (including broker's selling commissions and taxes thereon which may be passed on by the broker), include:

| Type of Fees                                                                                                                                | % of Value of the Transaction |
|---------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| Brokerage Commission plus Value Added Tax                                                                                                   | 1.120%                        |
| Stock Transaction Tax (STT)                                                                                                                 | 0.600%                        |
| Securities Clearing Corporation of the Philippines (SCCP), Securities and Exchange Commission (SEC), Philippines Stock Exchange, Inc. (PSE) | 0.021%                        |

Php0.04913 per share.

Other fees such as lodgment fee and EQ trade transfer fee (as applicable) are also for the account of the Tendering Shareholder.

The Tendering Shareholder and the Bidder shall each be responsible for any selling or buying broker's commissions and/or their own broker's commissions, costs, charges, transfer taxes, and other expenses, fees, and duties incurred in connection with the tender of the Tender Offer Shares, provided that the stock transaction tax and selling broker's commission (and/or any taxes thereon) payable on the transfer of the Tender Offer Shares shall be for the account solely of the Tendering Shareholder.

Any and all costs, charges, transfer taxes, expenses, fees, and duties that shall be for the account of the Tendering Shareholder shall be deducted by the Tender Offer Agent from the total price payable to such Tendering Shareholder.

- 4 **Entitlement** : Every shareholder of MED (other than the Excluded Shareholders) as of any date during the Tender Offer Period is entitled to sell all its/his/her Tender Offer Shares to the Bidder in accordance with and subject to the Terms and Conditions of the Tender Offer.
- 5 **Tender Offer Period** : The Tender Offer will start at 9:00 a.m. on 11 November 2022 and end at 5:00 p.m. on 12 December 2022 (the "Tender Offer Period"). The Bidder reserves the right to extend the Tender Offer Period (subject to prior approval from the SEC and notice to the PSE).

Without prejudice to the right of the Bidder (subject to prior approval by the SEC) to extend the Tender Offer Period, should any of the business days during the period from 11 November 2022, the commencement of the Tender Offer Period, and 12 December 2022, the end of the Tender Offer Period, inclusive, be officially declared as non-working holidays after the filing of the Tender Offer Report, the period shall be extended by the number of business days corresponding to those which were declared as non-working holidays.

- 6 **Closing Date  
(End of the Tender  
Offer Period)** : 5:00 p.m. of 12 December 2022
- 7 **Applications by  
Scrip Shareholders** : Scrip shareholders (i.e., shareholders who hold stock certificates) of MED who wish to sell their shares to the Bidder must complete the Application to Tender Common Shares (the "Application") in triplicate and submit the same with the attachments set out below to BA Securities, Inc. (the "Tender Offer Agent") at the address set forth below, which must be received by the Tender Offer Agent at the address set forth below not later than the end of the Tender Offer Period:

**BA Securities, Inc.**  
Suite 401-403 CLMC Bldg., 259-269 EDSA, Greenhills,

Mandaluyong City, Metro Manila, Philippines 1550

**Contact Persons:**

| <b>Name</b>     | <b>Telephone Number</b>                           | <b>Email Address</b>              |
|-----------------|---------------------------------------------------|-----------------------------------|
| Maria Fe Tan    | (+632)87275374;<br>(+632)87220132;<br>09164363210 | settlement@basecuritiesinc.com.ph |
| Rodalyn Serrano | (+632)87275374;<br>(+632)87220132;<br>09164908917 | accounting@basecuritiesinc.com.ph |
| Pepito Alcaraz  | (+632)87275374;<br>(+632)87220132;<br>09755389578 | alcaraz.pepito@gmail.com          |

Scrip Shareholders must present their original stock certificates to the Stock Transfer Agent at its office as stated herein for authentication by the Stock Transfer Agent, and upon due authentication, submit their original stock certificates duly endorsed in blank and the duly accomplished Application to Tender Shares (the Application), together with all the requirement stated therein, to the Tender Offer Agent at its address as stated herein.

- a. Original stock certificates of MED duly endorsed, subject to verification by the Stock and Transfer Agent as valid and authentic certificates. For those whose stock certificate/s is/are lost: (i) one (1) original of a duly notarized affidavit of loss (in substantially the form of Annex E to the Application); (ii) copy of the affidavit of loss as published in a newspaper of general circulation; (iii) affidavit of publication (of affidavit of loss) executed by the publisher; and (iv) bond issued in favor of MED by a financial institution or other company acceptable to the Stock and Transfer Agent, in the amount of the Tender Offer Price of the shares covered by a lost stock certificate.
- b. For Individuals:
  - i. For Tendering Shareholders acting through an attorney-in-fact, a duly notarized Irrevocable Power of Attorney (in substantially the form attached as Annex B to the Application). For married individuals who are Philippine citizens, their respective spouses must sign the space provided in the Irrevocable Power of Attorney to indicate marital consent to the sale of the Tender Offer Shares.
  - ii. Photocopies of two (2) valid identification cards issued by a government agency of the Republic of the Philippines, showing the Tendering Shareholder's signature and photograph, i.e., driver's license, tax identification card, Social Security Services/Government Services and Insurance System card, or passport.

For Tendering Shareholders acting through an attorney-in-fact,

photocopy of an identification card of the registered Tendering Shareholder shall form part of the notarized irrevocable power of attorney.

For Tendering Shareholders domiciled abroad, the power of attorney should be consularized or apostilled. If the Tendering Shareholder is unable to sign, the following should be presented:

- i. Medical certificate explaining the condition of the Tendering Shareholder, issued by a medical practitioner and indicating the doctor's license number; and,
- ii. Photocopy of the doctor's hospital identification cards.

For heirs who wish to tender inherited shares covered by stock certificate/s still in the name of the decedent:

- i. Shares transferred by Judicial Settlement
  - (a) Stock certificate in the name of the decedent;
  - (b) Death certificate certified true and correct by the Civil Registrar;
  - (c) Certified true copy of the relevant court order;
  - (d) Original Bureau of Internal Revenue Certificate Authorizing Registration; and
  - (e) Specimen signature card and photocopies of two (2) valid government-issued identification cards
- ii. Shares transferred by Extra-Judicial Settlement
  - (a) Stock certificate in the name of the decedent;
  - (b) Death certificate certified true and correct by the Civil Registrar;
  - (c) Original or certified true copy of extra-judicial settlement stamped received or annotated by the Registrar of Deeds;
  - (d) Affidavit of publication executed by the publisher;
  - (e) Original Bureau of Internal Revenue Certificate Authorizing Registration;
  - (f) Two (2) years heirs' bond; and
  - (g) Specimen signature card and photocopies of two (2) valid government-issued identification cards.

c. For Corporations:

- i. Notarized Board Resolution (in substantially the form of the Secretary's Certificate attached as Annex C to the Application) authorizing the sale of the Tender Offer Shares, designating signatories for the purpose and indicating the specimen signatures of those signatures.
- ii. Copy of SEC Certificate of Incorporation or equivalent constitutive document, certified as a true copy of the original by the Corporate Secretary or equivalent person having official custody of company records.
- iii. Copy of the latest Articles of Incorporation and By-laws of the Tendering Shareholder or equivalent charter documents, each certified as a true copy of the original by the Corporate Secretary or equivalent person having official custody of company records.

- iv. Duly accomplished Additional Personal Information Sheet and signature card containing the specimen signature of the Tendering Shareholder's designated authorized signatories and verified by the Tendering Shareholder's broker or by an officer of the bank at which the Tendering Shareholder maintains an account (the signature card must specify the name of the broker and the broker's signatory or the name of the bank and the bank's signatory, as the case may be).
  - v. Copy of the latest General Information Sheet (GIS) filed with the SEC and certified as a true copy of the original by the Corporate Secretary or equivalent persons having official custody of company records.
- d. For Partnerships:
- i. Copy of SEC Certificate of Registration or equivalent constitutive document certified as a true copy of the original by the Partnership Secretary or equivalent person having official custody of the partnership records.
  - ii. Copy of the latest Articles of Partnership of the Tendering Shareholder or equivalent charter document, certified as a true copy of the original by the Partnership Secretary or equivalent person having official custody of the partnership records.
  - iii. Notarized Partnership Resolution (in substantially the form of the Partners' Certificate attached as Annex D to the Application) authorizing the sale of the Tender Offer Shares, designating signatories for the purpose and indicating the specimen signature of the signatories.
  - iv. Duly accomplished Additional Personal Information Sheet and signature card containing the specimen signature of the Tendering Shareholder's designated authorized signatories and verified by the Tendering Shareholder's broker or by an officer of the bank at which the Tendering Shareholder maintains an account (the signature card must specify the name of the broker and the broker's signatory or the name of the bank and the bank's signatory, as the case may be).

- 8 Application by Scripless Shareholders : Scripless shareholders (i.e., shareholders of MED whose shares are lodged with the Philippine Depository and Trust Corporation ("PDTC")) who wish to accept the offer must complete the Application in triplicate and submit the same with the attachments referred to in item (b), (c) or (d) above (as applicable) to the Tender Offer Agent at the address set out above no later than the end of the Tender Offer Period.

In addition, such Scripless Tendering Shareholders must instruct their brokers to electronically transfer their Tender Offer Shares to the Tender

Offer Agent. The member broker(s) of the PSE who hold(s) the Tender Offer Shares, should, upon receipt of the notice of the Tender Offer, immediately notify the relevant Tendering Shareholder that should the Tendering Shareholder wish to sell its/his/her shares in MED to the Bidder, the Tendering Shareholder must instruct said participating broker to electronically transfer its/his/her shares to the Tender Offer Agent, as custodian for such shares, not later than 5:00 p.m. on 12 December 2022.

Participating brokers are required to submit separate Applications for Filipino and non-Filipino Scripless Tendering Shareholders. In addition, participating brokers are also required to submit separate Applications for taxable and tax-exempt Filipino Scripless Tendering Shareholders.

When tendering shares, the participating brokers are required to submit the letter to the Tender Offer Agent (in the form of Annex A to the Instructions to Participating Brokers, which is Exhibit G to the SEC Form 19-1 filed by the Bidder with the SEC) not later than 5:00 p.m. on 12 December 2022 as well as the duly completed Application.

**9 Conditions to Acceptance**

- : The Tender Offer Shares shall be deemed accepted by the Bidder subject to the conditions that the Tender Offer Agent has determined that the Tendering Shareholders shall have submitted the required documents and obtained all the required approvals and authorizations to enable it to transfer the Tender Offer Shares to the Bidder before the expiration of the Tender Offer.

The obligation of the Bidder to purchase the Tender Offer Shares through the tender offer will be under the condition (among other conditions that the Bidder may prescribe) that during the Bidder's tender offer, the Common Shares will have been:

- (1) Validly tendered by MED's shareholders;
- (2) Eligible for or otherwise capable of being purchased by the Bidder; and
- (3) Accepted for purchase by the Bidder;

in each case, in accordance with the Tender Offer Conditions of the Tender Offer. In the event the Tender Offer Conditions are not met, the Bidder may, upon notice to the SEC and the PSE, withdraw the tender offer.

**10 Acceptance**

- : Acceptance of the Application is subject to the terms hereof. The Bidder, through the Tender Offer Agent, at its sole discretion, shall have the right to reject any Application that does not qualify and accept qualified Applications at any time before the Tender Offer Shares are sold to the Bidder through the facilities of the PSE. Applications (i) received after the Tender Offer Period, or (ii) that are not properly completed, or (iii) lack any of the requirements, will be rejected.

The Tender Offer Agent will accept Applications on the condition that the signature/endorsement on MED stock certificates matches with the signature on file with MED's Stock Transfer Agent, if such is

available. The Tender Offer Agent will rely on the signature affixed on the Application and on the supporting identification documents or board resolution when it verifies the endorsement of the relevant MED stock certificates. The Tender Offer Agent shall not be required to make further inquiries into the authenticity of the signature. If the Tender Offer Agent is unable to verify the signature on the Application or the endorsement of MED stock certificate, the Tender Offer Agent will also reject the Application.

**Tendering Shareholders whose Applications have been rejected, in whole or in part, shall be notified of such by the Tender Offer Agent on or before 13 December 2022.**

**All Applications shall be accepted only in the Philippines.**

Rejected shares shall be returned in the same form they were received to the Tendering Stockholder's broker (for scripless shares) or to the Tendering Stockholder (for certificated shares) no later than ten (10) business days from the end of the Tender Offer Period. Any and all costs and expenses incurred in connection with the return of the rejected shares shall be borne by the Tendering Shareholder.

- 11 **Cross Date** : The accepted Tender Offer Shares are intended to be crossed at the PSE on or about 19 December 2022 (the "**Cross Date**"), subject to regulatory approvals.

Any change in the Cross Date shall be announced by the Bidder in 2 newspapers of general circulation in the Philippines.

- 12 **Settlement Date** : The sale and purchase of the accepted Tender Offer Shares shall be settled on 22 December 2022 (the "**Settlement Date**"), subject to any extension of the Tender Offer Period with the approval of the SEC.

All accepted Applications shall be settled only in the Philippines.

The Tender Offer Agent will act as agent for the Tendering Shareholders for the purpose of receiving the check payments from the Bidder and transmitting the check payments to such Tendering Shareholders. The check payments to be issued to Tendering Shareholders shall be made available by the Tender Offer Agent for pick-up by the Tendering Shareholders starting on Settlement Date at its offices.

When collecting payment, the Tendering Shareholders shall present the "Applicant's Copy" of the Application as well as proper government identification (i.e., driver's license, tax identification card, Social Security Services/Government Services and Insurance System card, or passport). Duly authorized representatives shall be required to present an authorization letter from the Tendering Shareholders.

**Tendering beneficial owners of Tender Offer Shares are advised to**

consult with their custodian, fiduciaries, or other similar agents to the manner by which they may collect payment from such agents.

In any event, no payment shall be made without the Tender Offer Agent having timely received the duly accomplished Application, the stock certificates evidencing the Tender Offer Shares and other documents required herein.

Any payment not collected within thirty (30) business days from the Cross Date shall be dispatched via registered mail, to the address of the Tendering Shareholder indicated in the Application, at the risk of the Tendering Shareholders

- 13 **Withdrawal** : Tendering Shareholders shall have the right to withdraw any Tender Offer Shares at any time during the Tender Offer Period but only up to 5:00 p.m. on 12 December 2022, by submitting a written request for the withdrawal of the Tender Offer Shares to the Tender Offer Agent with a copy of the "Applicant's Copy" of the Application issued by the Tender Offer Agent.

For withdrawal of Tendered Shares to be effective, a written notice of withdrawal must be received by the Tender Offer Agent before 5:00 p.m. on 12 December 2022 at the address set forth herein. The notice must specify the name of the Tendering Shareholder and the number of Tender Offer Shares to be withdrawn. If the stock certificates evidencing the Tender Offer Shares have been delivered to the Tender Offer Agent, the serial numbers shown on such certificates must be submitted to the Tender Offer Agent prior to the physical release of such certificates. No request for withdrawal of fractions of Tender Offer Shares will be considered. The Tender Offer Agent shall have the right in its sole discretion, to determine the form and validity of the notice of withdrawal, including the time receipt thereof.

All expenses incurred by the Tender Offer Agent in respect of withdrawal of Tender Offer Shares shall be for the account of the Tendering Shareholder making the withdrawal.

- 14 **Tendering Expenses** : The Tender Offer Price does not include customary selling charges amounting to 1.74% of the total transaction value<sup>2</sup> (including broker's

<sup>2</sup> The customary selling charges, which amount to 1.74% of the total transaction value (including broker's selling commissions and taxes thereon which may be passed on by the broker), include:

| Type of Fees                                                                                                                                | % of Value of the Transaction |
|---------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| Brokerage Commission plus Value Added Tax                                                                                                   | 1.120%                        |
| Stock Transaction Tax (STT)                                                                                                                 | 0.600%                        |
| Securities Clearing Corporation of the Philippines (SCCP), Securities and Exchange Commission (SEC), Philippines Stock Exchange, Inc. (PSE) | 0.021%                        |

selling commission and taxes thereon), which shall be for a Tendering Shareholder's account.

Other fees such as lodgment fee and EQ trade transfer fee (as applicable) are also for the account of the Tendering Shareholder.

The Tendering Shareholder and the Bidder shall each be responsible for any selling or buying broker's commissions and/or their own broker's commissions, costs, charges, transfer taxes, and other expenses, fees, and duties incurred in connection with the tender of the Tender Offer Shares, provided that the stock transaction tax and selling broker's commission (and/or any taxes thereon) payable on the transfer of the Tender Offer Shares shall be for the account solely of the Tendering Shareholder.

Any and all costs, charges, transfer taxes, expenses, fees, and duties that shall be for the account of the Tendering Shareholder shall be deducted by the Tender Offer Agent from the total price payable to such Tendering Shareholder.

All expenses in relation to the sale of the Tender Offer Shares attributable to the Tendering Shareholders shall be for the account of the Tendering Shareholder.

**15. Representations and Warranties of Tendering Shareholder**

: By accepting the Tender Offer and tendering the Common Shares pursuant thereto, each Tendering Shareholder is deemed to have represented and warranted to the Bidder as follows:

- (i) All information contained in the Application and its attachments are true and correct and that the signatures thereon are genuine, properly authorized and obtained without use of fraud, coercion or any other vice of consent.
- (ii) Each Tendering Shareholder is the registered and absolute legal and beneficial owner of, with good and marketable title to the Tendered Shares.
- (iii) The Tendered Shares have been validly issued and fully paid, and are non-assessable.
- (iv) Each Tendering Shareholder has obtained all the required approvals and authorizations to enable it/him/her to transfer the Tendered Shares to the Bidder before the expiration of the Tender Offer Period and it/he/she is not aware of any objection, adverse claim, dispute, or notice concerning its/his/her right to tender and transfer the Tender Offer Shares.
- (v) Upon the transfer of the Tendered Shares in accordance with the Tender Offer, the Bidder will obtain full and valid legal and beneficial title to and ownership of the Tendered Shares, free and clear from any warrants, interests, options, claims, objections, disputes, liens, or other encumbrances and will be able to freely and

fully exercise all rights and privileges arising from ownership of such Tendered Shares, including but not limited to the right to vote and receive dividends thereon.

(vi) The tender of any or all of the Tendered Shares by a Tendering Shareholder and/or the purchase or transfer thereof by the Bidder in accordance with the Tender Offer does not and will not constitute a breach or other default of the Tendering Shareholder's constitutive documents (as applicable) or of any agreement or arrangement, law, order, or regulations applicable to the Tendered Shares, the Tendering Shareholder, or to which any of the foregoing may be bound.

(vii) Each Tendering Shareholder has read and understood, and has relied solely upon the provisions of the Tender Offer Report, any and all documents and materials provided by the Bidder in connection therewith or in relation thereto, and the Terms and Conditions of the Tender Offer as stated therein, and unconditionally accepts such terms and conditions. The Tendering Shareholder understands that no person has been authorized to give information or to make any representation with respect to the Tender Offer other than those specified and made in the Tender Offer Report.

- 16 SEC Form 19-1 and other Tender Offer Documents : The terms set out in the Tender Offer Report shall form integral parts of these Terms and Conditions of the Tender Offer. Any Tendering Shareholder wishes to obtain a copy of the said Tender Offer Report may do so at the office of the Tender Offer Agent. Copies of the Tender Offer Report have also been filed with the SEC and PSE and submitted to MED.
- 17 Inquiries : For inquiries regarding the Tender Offer, please contact the Tender Offer Agent at the contact details set forth below.

**BA Securities, Inc.**

Suite 401-403 CLMC Bldg., 259-269 EDSA, Greenhills, Mandaluyong City, Metro Manila, Philippines 1550

Contact Persons:

| Name            | Telephone Number                                  | Email Address                     |
|-----------------|---------------------------------------------------|-----------------------------------|
| Maria Fe Tan    | (+632)87275374;<br>(+632)87220132;<br>09164363210 | settlement@basecuritiesinc.com.ph |
| Rodalyn Serrano | (+632)87275374;<br>(+632)87220132;<br>09164908917 | accounting@basecuritiesinc.com.ph |

For inquiries on the number of shares and stock certificates of a shareholder in MED, please contact MED's Stock and Transfer Agent at the contact details set forth below:

**Professional Stock Transfer, Inc.**  
10/F, Eastern Telecom Plaza Building, 316 Sen. Gil Puyat Ave..  
Makati City  
Contact Person: Jeneline Serafica  
Tel. No. (+632) 8687-4053  
Email: [info@professionalstocktransfer.com](mailto:info@professionalstocktransfer.com)

**FAIRNESS OPINION REPORT ON THE PLANNED TENDER  
OFFER BY BONHAM STRAND INVESTMENTS LTD. TO  
THE SHAREHOLDERS OF MEDCO HOLDINGS, INC.**

*Prepared By:*



*September 20, 2022*

This Financial Advisory report (the "Report") was prepared by:

**MIB CAPITAL CORPORATION ("MIBCap" or the "Financial Advisor")**

---

Due to the nature of the study and the materiality of the information contained herein, the Report and its contents are strictly confidential. This report and its contents should not be reproduced, circulated or quoted from without the Financial Advisor's prior consent. In no event or circumstance shall the Financial Advisor assume any responsibility to any third party to whom this Report or its contents are disclosed or made available. MIBCap, or any of its officers or employees, shall not be liable for any and all direct or consequential losses or damages arising from any use of this publication or its contents. In making the Report, the Financial Advisor relied solely on the Company's disclosures, Company's documentary submissions, and documents from third party sources.

Date of Report

September 20, 2022

## Table of Contents

|                                                                                                   |           |
|---------------------------------------------------------------------------------------------------|-----------|
| <b>I. EXECUTIVE SUMMARY .....</b>                                                                 | <b>3</b>  |
| <b>II. OBJECTIVE.....</b>                                                                         | <b>5</b>  |
| <b>III. SOURCES OF INFORMATION .....</b>                                                          | <b>6</b>  |
| <b>IV. ASSUMPTIONS AND LIMITATIONS OF THE STUDY .....</b>                                         | <b>7</b>  |
| <b>V. COMPANY BACKGROUND.....</b>                                                                 | <b>8</b>  |
| <b>VI. VALUATION APPROACHES .....</b>                                                             | <b>10</b> |
| <b>VII. RESULTS AND FINDINGS.....</b>                                                             | <b>11</b> |
| <b>VIII. CONCLUSION .....</b>                                                                     | <b>16</b> |
| <b>ANNEX A – CERTIFICATE OF RELIANCE.....</b>                                                     | <b>17</b> |
| <b>ANNEX B – DISCOUNTED CASH FLOW .....</b>                                                       | <b>18</b> |
| <b>ANNEX C – VWAP METHOD.....</b>                                                                 | <b>19</b> |
| <b>ANNEX D - DECLARATIONS PURSUANT TO SEC MEMORANDUM<br/>CIRCULAR NO. 13 SERIES OF 2013 .....</b> | <b>20</b> |
| <b>ANNEX E: OVERVIEW OF MIB CAPITAL CORPORATION.....</b>                                          | <b>21</b> |
| <b>ANNEX F: MIBCAP’S PROFILE OF KEY DIRECTORS .....</b>                                           | <b>22</b> |

## I. Executive Summary

### OBJECTIVE

This report was prepared by MIB Capital Corporation ("MIBCap") as an independent financial advisor to Bonham Strand Investments Ltd. ("Bonham") with the objective of rendering a fairness opinion on the terms of its planned tender offer to the shareholders of Medco Holdings, Inc. ("MHI" or the "Company") at a tender offer price of Php 0.05 per share.

### ASSUMPTIONS and LIMITATIONS

In preparing our fairness opinion, we relied on the documents and disclosures which were either provided or made by MHI or sourced from third parties.

For documents provided and disclosures made by MHI, MIBCap considered the data as reliable and accurate. We did not verify or validate any information presented by MHI except where explicitly stated and discussed in the Results and Findings section of this report. For information acquired from third-party sources, we assumed that the information contained therein were accurate.

This report includes assumptions and opinions based on economic and market conditions prevailing at the time of preparation of the report. If circumstances change significantly subsequent to the issuance of the report, MIBCap's valuation may be impacted.

### FINDINGS

We looked at the four (4) alternative valuation approaches and determined which of these would be most appropriate to value the shares of MHI. Based on our analysis, we decided to use the Discounted Cash Flow and Net Asset Value methods:

#### Discounted Cash Flow Method

Since MHI is a going-concern and is expected to generate dividend income from its investment in Manila Exposition Complex, Inc., we are of the opinion that the Discounted Cash Flow method is appropriate to value the shares of MHI. To value the Company using the DCF method, we relied on the projections of the Company covering years 2022 to 2027.

After reviewing the financial projections and deeming them acceptable, we computed for MHI's annual Free Cash Flows to Equity (FCFE), and discounted the same to their net present values as of September 15, 2022, using a discount rate of 10.3496%, resulting in a valuation of **Php 17,777,600 or 0.0056 per share.**

### Net Asset Value

For our second valuation method, we used the Net Asset Value method using the Company's interim financial statements. as of June 30, 2022, focusing on assets that make up at least 5% of its total assets.

Based on our evaluation, we did not make any adjustment to MHI's assets, as these were deemed to be recoverable or unimpaired. In addition, 100% of the liabilities were retained as these are expected to remain outstanding obligations of the Company.

Using the figures in MHI's latest Interim financial statements, we arrived at a Net Asset Value of **PHP 31,919,486 or Php 0.0101 per share.**

### **CONCLUSION**

Based on our review of the operation, financial condition and projections on the performance of MHI, we deemed the DCF and NAV methods to be most appropriate in valuing MHI. Using the information submitted to and secured by MIBCap and our pertinent analyses thereof, our resulting range of value per share is between Php 0.0056 to Php 0.0101 per share. Based on this range, we are of the opinion the tender offer price of PHP 0.05 per share is fair from a financial point of view and provides a slight advantage to the shareholders of MHI that will participate in the tender offer.

| Valuation Method     | Value Per Share |
|----------------------|-----------------|
| Discounted Cash Flow | Php 0.0056      |
| Net Asset Value      | Php 0.0101      |

## II. Objective

This report was prepared by MIB Capital Corporation ("MIBCap") as an independent financial advisor to Bonham Strand Investments Ltd. ("Bonham") with the objective of rendering a fairness opinion on the terms of its planned tender offer to the shareholders of Medco Holdings, Inc. ("MHI" or the "Company") at a tender offer price of Php 0.05 per share.

### III. Sources of Information

MHI provided us with the following information and materials:

- Latest General Information Sheet of MHI
- 2021 Audited financial statements and latest interim unaudited financial statements of MHI
- Projected financial statements of MHI covering the years 2022 to 2027
- Certification that the assumptions, revenue, and cost estimates in the financial projections submitted to MIBCap used the most likely scenarios to occur and are free from any material misstatements (see Annex A).

For other information we used, we relied on third party sources:

#### Information obtained from Bloomberg:

- a) Historical stock price and trade volume of MHI for a 30-business day period ending on September 15, 2022
- b) Beta of MHI from September 15, 2021 to September 15, 2022
- c) Benchmark Interest Rate, or the 5-year BVAL rate for a five (5) business day trading period ending on September 15, 2022

We also referred to Aswath Damodaran's Equity Risk Premium for the Philippines in 2022, as published in the website: <http://pages.stern.nyu.edu/~adamodar/>

## IV. Assumptions and Limitations of the Study

In preparing our fairness opinion, we relied on the documents enumerated above which were either provided by MHI or sourced from third parties.

For documents provided by MHI, MIBCap considered the data as reliable and accurate. We did not verify or validate any information presented by MHI except where explicitly stated and discussed in the Results and Findings section of this report. Our analysis and procedures did not include verification work or constitute an audit in accordance with Philippine Standards on Auditing. In addition, we assumed that no material facts were deliberately withheld from MIBCap by MHI.

For information acquired from third-party sources, we assumed that the information contained therein were accurate.

This report includes assumptions and opinions based on economic and market conditions prevailing at the time of preparation of the report. If circumstances change significantly subsequent to the issuance of the report, MIBCap's valuation may be impacted.

## V. Company Background

### A. Corporate Background

Medco Holdings, Inc. is an investment holding company listed on the Philippine Stock Exchange ("PSE"). It was incorporated in the Philippines on October 23, 1969 as Mindanao Exploration & Development Corporation and adopted its current name in 1995.

Prior to 1995, MHI was engaged in mineral exploration and development. In 1995, the Corporation embarked on a major corporate shift that resulted in its transformation into an investment holding company. In line with the change in its primary business purpose, the Corporation sold all its rights, titles, interests including all liabilities and obligations in its mining lease contracts and operating agreements to South Seas Oil & Mineral Exploration Development Co., Inc.

Thereafter, the Company has been engaged in investment holding activities. It does not produce or sell any product, or render any service. At present, its investment portfolio is comprised of holdings in companies involved in financial services and the operation of exhibition halls and conference facilities for trade development.

In 2018, following the equity restructuring and recapitalization plan implemented during the year and the issuance of new shares, Bonham Strand Investments Ltd. Acquired 69.67% ownership of the Company. Bonham is an entity engaged in investment holding and is registered in the British Virgin Islands.

Details of the affiliated companies and their activities as at December 31, 2021 are as follows:

| Name                                              | Percentage of direct equity ownership of MHI | Principal activities      |
|---------------------------------------------------|----------------------------------------------|---------------------------|
| Export & Industry Bank, Inc.<br>(In receivership) | 2.45%                                        | Commercial banking        |
| Manila Exposition Complex, Inc.                   | 18.18%                                       | Exhibition hall operation |

**B. Board of Directors and Management Officers as of August 31, 2022:**

Board of Directors

| Position             | Name                     |
|----------------------|--------------------------|
| Chairman             | Sai Chong Cheng          |
| Director             | Dionisio E. Carpio, Jr.  |
| Director             | Pauline C. Tan           |
| Director             | Edna D. Reyes            |
| Director             | Magher S. Baul           |
| Independent Director | Juan Victor S. Tanjuatco |
| Independent Director | Rodolfo B. Fernandez     |

Management Officers

| Position                                                        | Name                    |
|-----------------------------------------------------------------|-------------------------|
| President & Corporate Information Officer                       | Dionisio E. Carpio, Jr. |
| Corporate Secretary                                             | Jonas S. Khaw           |
| Assistant Corporate Secretary, Compliance Officer and Treasurer | Pauline C. Tan          |

## VI. VALUATION APPROACHES

We looked at four (4) alternative approaches in the valuation of MHI shares:

### 1. Income Approach - Discounted Cash Flow (DCF)

The DCF approach is used to estimate the value of an investment in a company by using future free cash flow projections of the company and discounting them to arrive at a present value. The discount rate is equivalent to the rate of return that equity investors require to finance a project. This is normally based on the risk-free rate plus a risk premium multiplied by the beta coefficient of the company. The higher the perceived risk of an investment, the higher the risk premium should be. The total present value of these future earnings, including the terminal value, represents the theoretical price of the shares.

### 2. Asset Approach - Net Asset Value (NAV)

The Net Asset Value approach derives the value of a company from the adjustment of the assets and liabilities to reflect their current market value or net realizable values. This method is deemed to provide a more meaningful valuation of asset-intensive businesses such as natural resource companies and property firms. This approach is also used to value companies that are projected to incur losses for a period of time.

### 3. Market Approach - Volume-Weighted Average Share Price (VWAP)

The volume-weighted average share price approach considers the share price of a publicly listed and traded company in a given trading period. This method uses a market determined valuation and is applicable for companies with significant liquidity and trading activity. However, it is not applicable for privately held companies and not appropriate for publicly listed companies with illiquid or thinly traded shares.

### 4. Market Approach - Relative Valuation (RV)

Another approach to stock valuation is the Relative Valuation Method which measures the value of the company relative to that of another company or a group of companies. It typically uses price multiples of comparable companies. Comparable firms are defined as those in the same line of business and with similar growth and risk profile. The rationale behind price multiples is the need to evaluate a stock's price in relation to what it buys in terms of assets, earnings or some other measure of value.

There are a number of multiples which can be used to calculate the price of a stock of a company being valued, among which are Price Earnings (PE) Ratio, Price-to-Book (P/B) and Enterprise Value-to-EBITDA (EV/EBITDA) multiples.

## VII. Results and Findings

We looked at the four (4) alternative valuation approaches and determined which of these would be most appropriate to value the shares of MHI. Based on our analysis, we decided against the use of the Relative Valuation and Volume-Weighted Average Price methods.

### A. Methods Not Used

- *Relative Valuation (RV)* - The relative valuation approach that uses earning-related metrics presupposes that assets are primarily deployed in revenue generating assets, and that there are other companies that are directly comparable to the company being valued. The price to book value and price earnings ratio methodologies are two of the common relative valuation approaches. The relative valuation methodology, however, is not applicable to MHI because of the lack of comparable companies. The Company's primary assets are now just Cash and Financial assets at fair value through other comprehensive income (FVOCI Financial Assets). Its FVOCI Financial Assets pertains to its investment in Manila Exposition Complex, Inc. ("MEC"), a company engaged in the operation and maintenance of exhibition halls.
- *Volume Weighted Average Price (VWAP)* - While we initially considered the VWAP method since MHI is a publicly-listed company, we decided not to use it in our valuation since the Company is not actively traded. In a 30-business day period ending on September 15, 2022, the shares of MHI were traded for only ten (10) business days, as shown in the table below:

| Date       | VWAP Per Day | Volume |
|------------|--------------|--------|
| 09/15/2022 | -            | -      |
| 09/14/2022 | -            | -      |
| 09/13/2022 | -            | -      |
| 09/12/2022 | 0.2750       | 10,000 |
| 09/09/2022 | 0.2750       | 10,000 |
| 09/08/2022 | 0.2580       | 50,000 |
| 09/07/2022 | -            | -      |
| 09/06/2022 | 0.2750       | 10,000 |
| 09/05/2022 | -            | -      |
| 09/02/2022 | -            | -      |
| 09/01/2022 | 0.2750       | 10,000 |
| 08/31/2022 | -            | -      |
| 08/30/2022 | -            | -      |
| 08/26/2022 | -            | -      |
| 08/25/2022 | -            | -      |
| 08/24/2022 | 0.2638       | 40,000 |
| 08/23/2022 | 0.2600       | 20,000 |
| 08/22/2022 | -            | -      |
| 08/19/2022 | 0.2711       | 90,000 |
| 08/18/2022 | -            | -      |
| 08/17/2022 | -            | -      |

|            |        |        |
|------------|--------|--------|
| 08/16/2022 | -      | -      |
| 08/15/2022 | 0.2600 | 60,000 |
| 08/12/2022 | 0.2700 | 10,000 |
| 08/11/2022 | -      | -      |
| 08/10/2022 | -      | -      |
| 08/09/2022 | -      | -      |
| 08/08/2022 | -      | -      |
| 08/05/2022 | -      | -      |
| 08/04/2022 | -      | -      |

The lack of regular trading activity on the shares of MHI makes it difficult for us to justify including the VWAP method in our valuation methods, as the share prices might not be representative of the intrinsic value of the Company.

#### **B. Methods Used**

To value the shares of stock of MHI, we used the Discounted Cash Flow and Net Asset Value methods:

##### **Discounted Cash Flow Method**

Since MHI is a going-concern and is expected to generate dividend income from its investment in Manila Exposition Complex, Inc., we are of the opinion that the Discounted Cash Flow method is appropriate to value the shares of MHI.

To value the Company using the DCF method, we relied on the projections of the Company covering years 2022 to 2027. We reviewed the projected numbers and their corresponding assumptions, and noted that the primary source of income of the Company is its expected annual dividend income from MEC and that the Company doesn't expect to have future expansion plans.

We also compared the projected numbers to the Company's latest audited and latest interim financial statements, and found sufficient basis to use them in our valuation. Based on the Certification of Reliance signed by MHI, we assumed that no material facts were deliberately withheld from MIBCap by MHI.

After reviewing the financial projections and deeming them acceptable, we computed for MHI's annual Free Cash Flows to Equity (FCFE), and discounted the same to their net present values as of September 15, 2022, using a discount rate of 10.3496%. The discount rate was computed using the Capital Asset Pricing Model, as summarized below:

|                                |          |
|--------------------------------|----------|
| Market Risk Premium            | 6.1200%  |
| x Beta                         | 0.3900   |
| = Product                      | 2.3868%  |
| + Risk-Free Rate               | 5.9628%  |
| =Discount Rate, using CAPM     | 8.3496%  |
| + Additional Premium for Risks | 2.0000%  |
| =Cost of Equity Used           | 10.3496% |

Notes:

- Market Risk Premium – This is based on Mr. Aswath Damodaran’s Equity Risk Premium for Philippines as of January 2022.
- Beta – This represents the beta of MHI, as obtained from Bloomberg
- Risk-Free Rate – This represents the average of five business day average of the 5Y PHP BVAL ending September 15, 2022, as obtained from Bloomberg. Given the rising interest rates, we are of the opinion that using a five-business day average instead of a longer period (e.g. 1-year average) will be more representative of market conditions.
- Additional Premium for Risks –We added an additional risk premium because of the following:
  - The Market Risk Premium used in the aforesaid CAPM was as of January 2022 and, thus, did not capture the recent economic turmoil, specifically the continued rise in interest rates and persistent inflation.
  - MHI’s dependence on a single source of income (eg. Dividend income) which may expose the Company to greater risk.

Since MHI is expected to operate beyond the years used in the projections, we also computed for a Terminal Value to capture the value of the business after 2027. However, since MHI does not expect any business expansions that would boost its cash flows in the long term, we decided to use a 0% growth. We note that the Company assumed a dividend amount of Php 9 million from MEC in 2027 which was also factored in the terminal value computation. Based on the information submitted to us, the dividends received the past five years prior to 2020 ranged from Php 6 million to Php 9 million.

Presented below is a summary of the resulting valuation using the DCF approach:

|                                        | 2022               | 2023           | 2024           |
|----------------------------------------|--------------------|----------------|----------------|
| Free Cash Flows to Equity (FCFE)       | (2,283,984)        | 596,794        | 545,181        |
| Terminal Value                         |                    |                |                |
| Present Value Factor                   | 0.9715             | 0.8804         | 0.7978         |
| <b>Net Present Values of the FCFEs</b> | <b>(2,218,987)</b> | <b>525,431</b> | <b>434,972</b> |

|                                        | 2025           | 2026           | 2027              |
|----------------------------------------|----------------|----------------|-------------------|
| Free Cash Flows to Equity              | 356,136        | 157,841        | 2,949,915         |
| Terminal Value                         |                |                | 28,502,804        |
| Present Value Factor                   | 0.7230         | 0.6552         | 0.5938            |
| <b>Net Present Values of the FCFEs</b> | <b>257,493</b> | <b>103,419</b> | <b>18,675,272</b> |

After computing for the annual free cash flows of MHI, and discounting the same to their net present values using a discount rate of 10.3496%, we arrived at a total value of **PHP 17,777,600, or 0.0056 per share**. A more detailed presentation of the DCF method can be found in Annex B.

|                         |               |
|-------------------------|---------------|
| Net Present Value (NPV) | 17,777,600    |
| Number of Shares        | 3,159,292,441 |
| NPV per share           | 0.0056        |

#### Net Asset Value

For our second valuation method, we decided to use the Net Asset Value method because the Company has available interim financial statements that we can use. We focused on the latest interim financial statements of MHI as of June 30, 2022 and focused on assets that make up at least 5% of its total assets.

Based on our evaluation, we did not make any adjustment on MHI's assets, as these were deemed to be recoverable or unimpaired. In addition, 100% of the liabilities were retained as these are expected to remain outstanding obligations of the Company.

|                                                                   | INTERIM<br>06/30/2022 | ADJUSTMENTS | ADJUSTED<br>VALUE    |
|-------------------------------------------------------------------|-----------------------|-------------|----------------------|
| Cash and cash equivalents                                         | 2,230,995             |             | 2,230,995            |
| Receivables - net                                                 | 661,759               |             | 661,759              |
| Financial assets at fair value through other comprehensive income | 34,531,079            |             | 34,531,079           |
| Other assets - net                                                | 92,783                |             | 92,783               |
| <b>TOTAL ASSETS</b>                                               | <b>37,516,616</b>     |             | <b>37,516,616</b>    |
| Accrued expenses and other liabilities                            | 45,962                |             | 45,962               |
| Due to related parties                                            | 3,150,000             |             | 3,150,000            |
| Post-employment defined benefit obligation                        | 2,401,168             |             | 2,401,168            |
| <b>TOTAL LIABILITIES</b>                                          | <b>5,597,130</b>      |             | <b>5,597,130</b>     |
| <b>NET ASSET VALUE</b>                                            | <b>31,919,486</b>     |             | <b>31,919,486</b>    |
| <b>NO. OF SHARES</b>                                              | <b>3,159,292,441</b>  |             | <b>3,159,292,441</b> |
| <b>NAV PER SHARE</b>                                              | <b>0.0101</b>         |             | <b>0.0101</b>        |

Using the figures in MHI's latest interim financial statements, we arrived at a Net Asset Value of PHP 31,919,486 or Php 0.0101 per share.

### C. Variance between the Tender Offer Price and Current Market Price

We computed the volume-weighted share price of MHI shares for a 30-business day period ending on September 15, 2022. The shares of MHI were traded for only 10 days out of the 30 business days considered. The volume weighted average price is Php 0.2656, while the average value was Php 8,235.10. The daily figures are summarized below:

| Date       | VWAP per day | Volume   | Value in PHP |
|------------|--------------|----------|--------------|
| 09/12/2022 | 0.2750       | 10,000   | 2,750.00     |
| 09/09/2022 | 0.2750       | 10,000   | 2,750.00     |
| 09/08/2022 | 0.2580       | 50,000   | 12,900.00    |
| 09/06/2022 | 0.2750       | 10,000   | 2,750.00     |
| 09/01/2022 | 0.2750       | 10,000   | 2,750.00     |
| 08/24/2022 | 0.2638       | 40,000   | 10,552.00    |
| 08/23/2022 | 0.2600       | 20,000   | 5,200.00     |
| 08/19/2022 | 0.2711       | 90,000   | 24,399.00    |
| 08/15/2022 | 0.2600       | 60,000   | 15,600.00    |
| 08/12/2022 | 0.2700       | 10,000   | 2,700.00     |
|            |              | 310,000* | 8,235.10**   |

\*Sum of the volumes traded

\*\* Average of the values traded

While the VWAP of MHI is higher than the tender offer price of Php0.05 per share, we consider the shares to be illiquid given the small volumes traded and are therefore their traded price may not represent the intrinsic value of MHI. Furthermore, the lack of expansion plans and growth prospects of the Company, relying only on dividend income from Manila Exposition Complex, Inc., may not reasonably support a share price higher than the estimated values using our DCF and NAV methods.

## VIII. Conclusion

Based on our review of the operation, financial condition and projections on the performance of MHI, we deemed the DCF and NAV methods to be most appropriate in valuing MHI. Using the information submitted to and secured by MIBCap and our pertinent analyses thereof, our resulting range of value per share is between **Php 0.0056 to Php 0.0101** per share. Based on this range, we are of the opinion the tender offer price of PHP 0.05 per share is fair from a financial point of view and provides a slight advantage to the shareholders of MHI that will participate in the tender offer.

| Valuation Method     | Value Per Share |
|----------------------|-----------------|
| Discounted Cash Flow | Php 0.0056      |
| Net Asset Value      | Php 0.0101      |

This report was prepared by the Financial Advisory Group, and subsequently reviewed and approved by the President and Chairperson of MIBCap. It did not go through any of the committees of our firm for approval.

Report Prepared by:

**MIB CAPITAL CORPORATION**

  
Marilou C. Cristobal  
Chairperson

TIN # [REDACTED]

  
Dindo Antonio T. Caguiat  
President

TIN # [REDACTED]

22/F Multinational Bancorporation Centre  
6805 Ayala Avenue, Makati City

PSE Accreditation valid up to October 26, 2022 as contained in PSE Memorandum No. 2017-0063

Date of Report: September 20, 2022

## ANNEX A – CERTIFICATE OF RELIANCE

### CERTIFICATE OF RELIANCE

August 15, 2022

MIB Capital Corporation  
22/F Multinational Bancorporation Centre  
6805 Ayala Avenue, Makati City

Attention : Mr. Dindo Antonio T. Cagulat  
President

Subject : Certificate of Reliance

Gentlemen:

This is to certify that to the best of our personal knowledge, the assumptions, revenue projections, cost and capital expenditure estimates as well as the projected balance sheets, income statements, and cash flow statements (collectively, "the Financial Projections") submitted by Bonham Strand Investments Ltd. to MIB Capital Corporation ("MIB Cap") for the purpose of valuing Medco Holdings, Inc. ("MED") represent the most likely scenarios to occur and are free from any material misstatement, whether due to fraud or error.

We also certify that the information we disclosed about MED's operations, structure, organization, industry standing, market share, and other similar information is accurate at the time of the disclosure.

Further, we shall indemnify and hold harmless MIB Cap and its directors, officers, employees and/or agents from any liability, loss or damage relating to or arising out of MIB Cap's reliance on the Financial Projections in performing the said valuation.

Very truly yours,

Medco Holdings, Inc.



Dionisio E. Carpio, Jr.  
President

## ANNEX B – Discounted Cash Flow

### Year 2022 to 2024:

| Discounted Cash Flow Method   | 12/31/2022  | 12/31/2023 | 12/31/2024 |
|-------------------------------|-------------|------------|------------|
| September 15, 2022            | 0.29        | 1.29       | 2.29       |
| Income Before Taxes           | (5,289,338) | 670,108    | 619,330    |
| Income Taxes Paid             | (1,099)     | (5,490)    | (6,684)    |
| Change in Net Working Capital | 3,006,454   | (67,824)   | (67,465)   |
| Free Cash Flow to Equity      | (2,283,984) | 596,794    | 545,181    |
| Terminal Value                |             |            |            |
| PV Factor                     | 0.9715      | 0.8804     | 0.7978     |
| NPVs of the FCFEs             | (2,218,987) | 525,431    | 434,972    |

### Year 2025 to 2027:

| Discounted Cash Flow Method   | 12/31/2025 | 12/31/2026 | 12/31/2027 |
|-------------------------------|------------|------------|------------|
| September 15, 2022            | 3.29       | 4.29       | 5.29       |
| Income Before Taxes           | 431,002    | 233,031    | 3,025,016  |
| Income Taxes Paid             | (7,774)    | (8,487)    | (8,802)    |
| Change in Net Working Capital | (67,092)   | (66,703)   | (66,299)   |
| Free Cash Flow to Equity      | 356,136    | 157,841    | 2,949,915  |
| Terminal Value                |            |            | 28,502,804 |
| PV Factor                     | 0.7230     | 0.6552     | 0.5938     |
| NPVs of the FCFEs             | 257,493    | 103,419    | 18,675,272 |

## ANNEX C – VWAP METHOD

Presented below is our detailed computation using the VWAP method:

| Date       | VWAP per day | Volume         | Weight        | Weighted Price |
|------------|--------------|----------------|---------------|----------------|
| 09/12/2022 | 0.2750       | 10,000         | 0.0323        | 0.0089         |
| 09/09/2022 | 0.2750       | 10,000         | 0.0323        | 0.0089         |
| 09/08/2022 | 0.2580       | 50,000         | 0.1613        | 0.0416         |
| 09/06/2022 | 0.2750       | 10,000         | 0.0323        | 0.0089         |
| 09/01/2022 | 0.2750       | 10,000         | 0.0323        | 0.0089         |
| 08/24/2022 | 0.2638       | 40,000         | 0.1290        | 0.0340         |
| 08/23/2022 | 0.2600       | 20,000         | 0.0645        | 0.0168         |
| 08/19/2022 | 0.2711       | 90,000         | 0.2903        | 0.0787         |
| 08/15/2022 | 0.2600       | 60,000         | 0.1935        | 0.0503         |
| 08/12/2022 | 0.2700       | 10,000         | 0.0323        | 0.0087         |
|            |              | <b>310,000</b> | <b>1.0000</b> | <b>0.2656</b>  |

## ANNEX D - Declarations pursuant to SEC Memorandum Circular No. 13 Series of 2013

### MIB CAPITAL CORPORATION

200 DELACROIX DRIVE, SUITE 1000, MANILA  
1000 MANILA, PHILIPPINES  
TELEPHONE: (632) 881-1111 TO 15  
FACSIMILE: (632) 881-1111  
E-MAIL: [info@mibcapital.com.ph](mailto:info@mibcapital.com.ph)  
WEBSITE: <http://www.mibcapital.com.ph>

September 14, 2022

#### Declarations pursuant to SEC Memorandum Circular No. 13 Series of 2013

In preparing the fairness opinion report on the planned tender offer to be made by Bonham Strand Investments Ltd. ("Bonham") to the shareholders of Medco Holdings, Inc. ("MHI"), MIB Capital Corporation ("MIBCap") declares the following:

1. The fairness opinion prepared by MIBCap did not express an opinion about the fairness of the compensation in the planned tender offer to any of MHI's directors, officers or employees relative to the compensation to MHI's shareholders.
2. MIBCap acted as a financial advisor to Bonham as the buyer of the MHI shares. MIBCap will be compensated a fixed amount in its role as financial advisor and its fees are not contingent on the successful completion of the tender offer.
3. MIBCap is not a related party to Bonham and MHI. MIBCap does not have other circumstances or engagements, direct or indirect with Bonham and MHI that may influence or tend to influence, the objectivity and reliability of our fairness opinion report.
4. MIBCap has no business interest or family relationship with Bonham or MHI, or any of their respective directors, officers or major stockholders that could, or could reasonably be perceived to, materially interfere with the exercise of the professional judgment of the firm, its representative or any member of the engagement team, in carrying out their responsibilities in assessing the fairness of MHI's securities, as required under Rule 19.2.6.1 of the 2015 Implementing Rules and Regulations of the Securities Regulation Code (the "2015 SRC Rules").
5. MIBCap is compliant with MIBCap's General Engagement Operating Guidelines for Purposes of Issuing Fairness Opinions and Valuation Reports.

### MIB CAPITAL CORPORATION

  
Merilou C. Cristobal  
Chairperson

  
Dindo Antonio T. Cagulat  
President

## ANNEX E: Overview of MIB Capital Corporation

MIB Capital Corporation was established in 1972 as Multinational Investment Bancorporation to make available a broad spectrum of financial intermediation services, arranging funding for businesses relevant to their changing requirements across their varied stages of development. Over the years, operating within an environment in a continued state of flux, we have adopted optimum flexibility in the nature and delivery of our services. We have shifted business focus in anticipation of and response to the demands of our clients.

We are not owned by any family or vested interest group whose objectives or interest may conflict with those of the clients we service. We are completely independent and non-aligned. We operate under a unique corporate structure which we call “Corporate Partnership” which imposes unlimited liability on our partner-officers for their professional acts involving conflicts of interest. This independence, professionalism and total commitment to our clients have given us the widest latitude to deal with the broadest spectrum of selected clients and to work with any financial institution, domestic or foreign.

MIBCap is a non-aligned, professional and ALL Filipino institution. Our Board of Directors is comprised of the following:

|                          |                                |
|--------------------------|--------------------------------|
| Marilou C. Cristobal     | Chairperson                    |
| Dindo Antonio T. Caguiat | Director / President           |
| Eduardo C. Rojas         | Director / Treasurer           |
| Romeo G. Rodriguez       | Director / Corporate Secretary |
| Celso L. Samaniego       | Director/ Senior Advisor       |

## ANNEX F: MIBCap's Profile of Key Directors

### **Marilou C. Cristobal**

#### *Chairperson*

She graduated with a degree in AB Economics from the University of Sto. Tomas (summa cum laude) in 1975 and completed the Senior Business Economics Program from the Center for Research and Communication (now University of Asia and the Pacific) in 1995. She has more than four decades of involvement in investment banking. She was a two term President and long-time Director of the Investment House Association of the Philippines. She is also an active member of the Financial Executives Institute of the Philippines, Management Association of the Philippines and Women's Business Council of the Philippines.

### **Dindo Antonio T. Caguiat**

#### *Director and President*

He graduated with a B.S. Psychology degree from Ateneo de Manila University and obtained his Master of Science in Finance degree from the University of the Philippines. He has more than 20 years of experience in Finance and Investment Banking and he has been the President of MIB Capital Corporation since 2020. He also worked at Intel Technology Philippines in various financial roles for five years. He was elected to the Board of the Investment House Association of the Philippines (IHAP) for three terms.

### **Eduardo C. Rojas**

#### *Director and Treasurer*

He graduated with a degree in AB Economics from the Ateneo de Manila University in 1969. He also completed an International Financial Management Course from the Centre Detudes Industrielles in Hongkong. He has over 50 years of experience in the money and capital markets. He is an active member of the Financial Executives of the Philippines and Rotary Club of Makati.

### **Romeo G. Rodriguez**

#### *Director and Corporate Secretary*

He graduated with a double degree in Liberal Arts-Commerce from the De La Salle University in 1966 and finished his MBA in Finance from the University of Sta. Clara in Santa Clara, CA USA in 1970. He has been involved in investment banking for more than four decades. He is a Director and a member of the Executive Committee of MIB Capital Corporation. He is an active member of the Rotary Club of Manila.

### **Celso L. Samaniego**

#### *Director and Senior Advisor*

He graduated with a degree in Business Administration – Accounting from the University of the East in 1966 (magna cum laude) and placed 10th in the CPA board examination. He started his career in BANCOM and carries with him more than fifty years of experience in finance. He was a TOYM awardee.



## BA Securities, Inc.

Member: Philippine Stock Exchange  
Suites 401-403 CLMC Bldg. 259-269 EDSA, Greenhills, Mandaluyong City  
Tel. Nos.: +632 8722-8832; +632 8727-5374  
Telefax No.: +632 8722-0132  
Trading Tel. Nos. +632 8814-0969  
E-mail: settlement@basecuritiesinc.com.ph  
Web: <http://www.baseonline.com>

22 September 2022

### SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex  
Roxas Boulevard, Manila

Attention: **Vicente Graciano P. Felizmenio, Jr.**  
Director, Market and Securities Regulation Department

Re: ***Tender Offer for common shares of Medco Holdings, Inc.***

Gentlemen:

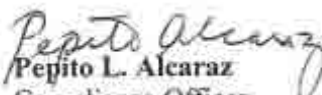
We write with reference to the SEC Form 19-1 to be filed by **Bonham Strand Investments Ltd.** (the "Bidder") with the Securities and Exchange Commission in connection with a tender offer of up to 635,747,315 common shares of Medco Holdings, Inc. with a par value of Php0.05 per share, at a tender offer price of Php0.05 per common share (the "Tender Offer Price").

On request of the Bidder, we hereby confirm that based on the Bidder's cash on hand with BA Securities, Inc., as of date hereof, there are financial resources available to the Bidder sufficient to satisfy full acceptance of the offer on the basis of the Tender Offer Price.

This letter does not constitute a guarantee and should not be viewed as an express or implied commitment by us to provide any funding. This letter is provided on the basis of the information made available to us, as of the date hereof. It should be understood that subsequent developments may affect the contents of this letter and that we do not have any obligation to update, revise, or reaffirm this letter. This letter shall not confer rights or remedies upon, any shareholder, creditor, or any other person, and any recourse under this letter is limited to the Bidder and its assets.

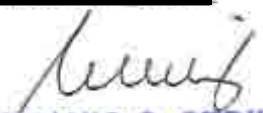
Very truly yours,

BA Securities, Inc.

  
Pepito L. Alcaraz  
Compliance Officer

SUBSCRIBED AND SWORN to before me this **SEP 22 2022** at  
**QUEZON CITY** affiant exhibited to me her UMID [REDACTED]

Doc No: 108;  
Page No: 11;  
Book No: 10;  
Series of 2022.

  
**ATTY. ERANIO G. CEDILLO**  
NOTARY PUBLIC  
IBP NO. 171653/ 1-3-2022; Q.C.  
PTR NO. 1164203/ 1-3-2022; Q.C.  
ROLL NO. 31057/ 5-4-1981  
MCLE-COMP NO. VI-0012901

# EXHIBIT "D" to the Tender Offer Report Application to Tender Common Shares of MEDCO HOLDINGS, INC.

## APPLICATION TO TENDER SHARES OF MEDCO HOLDINGS, INC.

This application must be prepared in triplicate and completed in all parts:

Copies to:

1. Bidder
2. Tender Offer Agent
3. Applicant

Unless otherwise defined herein, capitalized terms shall have the meanings ascribed to them in the Tender Offer Report.

This form (the "Application") is made on the Terms and Conditions of the Tender Offer attached as Exhibit A to the Tender Offer Report (SEC Form 19-1, including any and all of its annexes, exhibits and schedules) (the "Terms and Conditions of the Tender Offer") filed by BONHAM STRAND INVESTMENTS LTD. (the "Bidder") with MEDCO HOLDINGS, INC. ("MED" or the "Company"), the Securities and Exchange Commission ("SEC") and the Philippine Stock Exchange ("PSE") (the "Tender Offer Report") in connection with its tender offer (the "Tender Offer") to acquire up to 633,747,315 common shares of the Company (the "Tender Offer Shares"), representing approximately 20.12% of its outstanding common shares, from shareholders of the Company, other than the Bidder, Citinvest Asia Limited and the members of the Board of Directors and the officers of the Company (the "Excluded Shareholders"), at the tender offer price of Five Centavos (Php0.05) per common share (the "Tender Offer Price"). The Terms and Conditions of the Tender Offer forms an integral part hereof.

This Application is intended for shareholders of the Company who wish to tender their common shares in the Company to the Bidder.

**DO NOT COMPLETE THIS APPLICATION IF YOU ARE NOT OFFERING YOUR COMMON SHARES FOR PURCHASE BY THE BIDDER.**

The Bidder has prepared the Tender Offer Report for the purpose of describing the Tender Offer in detail. Each shareholder is advised to read and understand the provisions of the Tender Offer Report and the terms and conditions stated therein and in this Application prior to making any decision. Inquiries and requests for assistance and copies of the Tender Offer Report may be directed to BA Securities, Inc. (the "Tender Offer Agent"), whose address and telephone number appear in the Terms and Conditions of the Tender Offer (Attachment 1 to this Application), which forms an integral part of this Application. This Application, together with the required attachments set forth below, must be duly accomplished and received by the Tender Offer Agent not later than 5:00 p.m. on 12 December 2022, unless otherwise extended by the Bidder with the prior approval of the SEC. The Bidder reserves the right to accept or reject this Application (in whole or in part) or scale back any or all of the Tendered Shares. This Application, after being submitted, may be withdrawn in writing in accordance with the procedure set forth in the Terms and Conditions of the Tender Offer. The notice of withdrawal, to be effective, must be received by the Tender Offer Agent before 5:00 p.m. on 12 December 2022.

## DO NOT PROCEED UNLESS YOU HAVE DECIDED TO TENDER YOUR SHARES TO THE BIDDER

### REPRESENTATIONS AND WARRANTIES

By executing this Application, I/We (the "Tendering Shareholder") represents and warrants in favor of the Bidder and the Tender Offer Agent that: (a) all information contained herein and in the attached documents are true and correct and that the signatures hereon are genuine, properly authorized and obtained without use of fraud, coercion or any other vice of consent; (b) the Tendering Shareholder has the requisite capacity to tender and transfer the Tender Offer Shares and all transaction contemplated thereby; (c) The Tendering Shareholder is the registered and absolute legal and beneficial owner of, with good and marketable title to the Tendered Shares; (d) the Tendered Shares have been validly issued and fully paid, and are non-assessable; (e) the Tendering Shareholder has obtained all the required consents, approvals and authorizations to enable him/her to transfer the Tendered Shares to the Bidder before the expiration of the Tender Offer Period and that (i) he/she is not aware of any objection, adverse claim, dispute, or notice concerning its/his/her right to tender and transfer the Tendered Shares; (f) upon the transfer of the Tendered Shares in accordance with the Tender Offer, the Bidder will obtain full and valid legal and beneficial title to and ownership of the Tendered Shares, free and clear from any warrants, interests, options, claims, objections, disputes, liens, or other encumbrances and will be able to freely and fully exercise all rights and privileges arising from ownership of such Tendered Shares, including but not limited to the right to vote and receive dividends thereon; and (g) the tender of any or all of the Common Shares by a Tendering Shareholder and/or the purchase or transfer thereof by the Bidder in accordance with the Tender Offer does not and will not constitute a breach or other default of the Tendering Shareholder's constitutive documents (as applicable) or of any agreement or arrangement, law, order, or regulation applicable to the tendered Common Shares, the Tendering Shareholder, or to which any of the foregoing may be bound.

The undersigned Tendering Shareholder further warrants that (i) he/she has read and understood, and has relied solely upon the provisions of the Tender Offer Report, any and all documents and materials provided by the Bidder in connection therewith or in relation thereto, and the Terms and Conditions of the Tender Offer as stated therein, and unconditionally accepts such terms and conditions. The Tendering Shareholder understands that no person has been authorized to give information or to make any representation with respect to the Tender Offer other than those specified and made in the Tender Offer Report.

The undersigned Tendering Shareholder hereby expressly agrees and consents to the collection and processing of its/his/her personal information with respect to information relating to or in connection with the Tender Offer, and hereby agrees and consents to the disclosure of the same for purposes of meeting the requirements of the Tender Offer, any overseas or local regulators or tax authorities, or in compliance with rules of any exchange.

### AUTHORIZATION

By virtue hereof, the Tendering Shareholder hereby authorizes the Tender Offer Agent to: (1) sell its/his/her Tendered Shares through the PSE; (2) to withhold and pay from the proceeds of such sale such taxes, broker's commission and other reasonable expenses that may be chargeable to its/his/her account; (3) to process, collect, use, and/or store its/his/her personal information; (4) to disclose its/his/her personal information to the Bidder (or any person acting on its behalf), any overseas or local regulators or tax authorities or in compliance with the rules of any exchange; and (5) to do or cause to be done all such acts and things necessary or appropriate to give full effect to and implement the foregoing.

|                                               |            |                                                                                           |             |
|-----------------------------------------------|------------|-------------------------------------------------------------------------------------------|-------------|
| Tendering Shareholder's Full Name (in print)* |            | Tendering Shareholder's Address<br>(Building, Street Address, District, City and Country) |             |
|                                               |            |                                                                                           |             |
| Tendering Shareholder's Signature             | Tel No.(s) | TIN/Passport                                                                              | Nationality |
|                                               |            |                                                                                           |             |

\* This Application shall be accomplished by the registered holder of the Tendered Shares or its/his/her duly authorized attorney-in-fact (for shareholders with stock certificates) or by the broker with whom the Tendered Shares are maintained (for shareholders without stock certificates).

# APPLICATION TO TENDER

The undersigned registered shareholder of MEDCO HOLDINGS, INC. or the undersigned Participating Broker handling Medco Holdings, Inc. Common Shares on behalf of the beneficial owner of such Medco Holdings, Inc. Common Shares and acting in accordance with and within the instructions of said beneficial owner, as the case may be (in either case, the "Applicant"), hereby applies to sell \_\_\_\_\_ Medco Holdings, Inc. Common Shares (the "Tendered Shares") for the price stated below and to be paid in the manner stated below.

If covered by stock certificates, please fill up and attach separate sheet if needed:

| MEDCO HOLDINGS, INC.<br>Stock Certificate No.(s) | No. of Tendered Shares Represented<br>by Each Certificate* | No. of Tendered Shares | Price                                                                                                                                                 |
|--------------------------------------------------|------------------------------------------------------------|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                  |                                                            |                        | The purchase price is Php0.05 for each share and will be payable by check (Philippine Pesos) subject to the Terms and Conditions of the Tender Offer. |
|                                                  |                                                            |                        |                                                                                                                                                       |
| <b>TOTAL</b>                                     |                                                            |                        | <b>PHP</b>                                                                                                                                            |

## ACKNOWLEDGEMENT

| Tender Offer Agent's Certification                                                                  |  | Acceptance                                                                                                                                |  |
|-----------------------------------------------------------------------------------------------------|--|-------------------------------------------------------------------------------------------------------------------------------------------|--|
| We received this Application, with all the required attachments below, at _____ a.m./p.m. on _____. |  | This Application is hereby accepted for _____ common shares of Medco Holdings, Inc. subject to the terms and conditions set forth herein. |  |
| Tender Offer Agent's<br>Authorized Signatory                                                        |  | Bidder's<br>Authorized<br>Signatory                                                                                                       |  |

## REQUIRED ATTACHMENT TO THIS APPLICATION

A valid tender of the Common Shares shall be made by accomplishing and delivering this Application, which, along with the following attachments (applicable to scrip or certificated shareholders only), must be received by the Tender Offer Agent not later than 3:00 p.m. on 12 December 2022.

- Duly endorsed original stock certificates of MEDCO HOLDINGS, INC. (in blank) issued in the name of the Tendering Shareholders and validated by the Stock Transfer Agent of the Company.

Tendering Shareholders whose shares are lodged with the Philippine Depository Trust Corporation ("PDT") and who wish to offer all or a portion of their Tender Offer Shares for acceptance and sale to the Bidder should instruct their brokers (the "Participating Brokers") to accomplish and submit, on their behalf, the duly accomplished Application, together with all the requirements as stated herein, to the Tender Offer Agent at its address as stated herein, and instruct their Participating Broker to electronically transfer their Common Shares to the Tender Offer Agent for receipt by the Tender Offer Agent prior to 3:00 p.m. on 12 December 2022. The Participating Broker is required to comply with the Instructions to Brokers attached to this Application as Annex F hereof.

Delivery of each required document in relation to the Tender Offer to the Tender Offer Agent shall be deemed made only upon actual receipt thereof by the Tender Offer Agent. The Bidder reserves the right to require presentation or submission of any additional documents for the purpose of, among others, enabling the Bidder to determine from any Tendering Shareholder (or any person acting on its behalf, including any Participating Broker) the validity, eligibility, and acceptability of any Common Shares in the Company tendered pursuant to the Tender Offer.

### For individual shareholders:

- Photocopies of two (2) valid identification cards containing the Applicant's photograph and specimen signature (i.e., driver's license, tax identification card, Social Security System/Government Service Insurance System identification card, or passport).
- Two (2) duly accomplished Additional Personal Information Sheet and specimen signature cards containing the specimen signature of the Applicant and verified by the Applicant's broker or by an officer of the bank at which the Applicant maintains an account (the signature card must specify the name of the broker and the broker's signatory or the name of the bank and the bank's signatory, as the case may be). A copy of at least one valid ID of the bank's signatory is also required.
- For shareholders acting through an attorney-in-fact, a duly notarized Irrevocable Special Power of Attorney (in substantially the form attached to this Application as Annex B). For married individuals who are Philippine citizens, their respective spouses must sign the space provided in the Irrevocable Power of Attorney to indicate the marital consent to the sale of their Medco Holdings, Inc. common shares.

### For corporate shareholders:

- Notarized Board Resolution (in substantially the form of the Secretary's Certificate attached to this Application) authorizing the sale of its Medco Holdings, Inc. common shares, designating signatories for the purpose and indicating the specimen signatures of those signatories.
- Copy of the SEC Registration or equivalent constitutive document certified as a true copy of the original by the Corporate Secretary or equivalent person having official custody of company records.
- Copies of the latest Articles of Incorporation or By-Laws of the Applicant or equivalent constitutive documents certified as true copies of the original by the Corporate Secretary or equivalent person having official custody of company records.
- Two (2) duly accomplished Additional Personal Information Sheet and specimen signature cards containing the specimen signature of the Applicant's designated authorized signatories and verified by the Applicant's Corporate Secretary or equivalent person having official custody of company records.
- Copy of the latest General Information Sheet (GIS) filed with the SEC and certified as a true copy of the original by the Corporate Secretary or equivalent persons having official custody of company records.

### For Partnership:

- Copy of SEC Registration or equivalent constitutive document certified as true copy of the original by the Partnership Secretary or equivalent person having official custody of the partnership records.
- Copy of the latest Articles of Partnership of the Applicant or equivalent constitutive document certified as true copy of the original by the Partnership Secretary or equivalent person having official custody of the partnership records.
- Notarized Partnership Resolution (in substantially the form of the Partners' Certificate attached to this Application as Annex D) authorizing the sale of the Partnership's Medco Holdings, Inc. common shares, designating signatories for the purpose and indicating the specimen signature of the signatories.
- Two (2) duly accomplished Additional Personal Information Sheet and signature cards containing the specimen signature of the Applicant's designated authorized signatories and verified by the Applicant's Partnership Secretary or equivalent person having official custody of the partnership records.

For those with lost stock certificates:

- (i) One (1) original of a duly notarized affidavit of loss (in substantially the form of the Affidavit of Loss attached to this Application as Annex E).
- (ii) Copy of the affidavit of loss as published in a newspaper of general circulation.
- (iii) One (1) original of the Affidavit of Publication executed by the relevant publishing entity attesting that the affidavit of loss and the details required under Section 72 of the Revised Corporation Code of the Philippines have been published in a newspaper of general circulation in the place where Medco Holdings, Inc. has its principal office once a week for at least three consecutive weeks.
- (iv) Applicable surety bond in an amount of twice the closing price per share of the Company shares as of the date of execution of the affidavit of loss, multiplied by the number of shares covered by each lost stock certificate, which bond shall run for a period of one year.

#### OTHER INFORMATION

Without prejudice to the right of the Bidder (subject to prior approval by the SEC) to extend the Tender Offer Period, should any of the business days during the period from 9:00 a.m. on 11 November 2022, the commencement of the Tender Offer Period, and 5:00 p.m. on 12 December 2022, inclusive, be officially declared as non-working holidays after the filing of the Tender Offer Report, the period shall be extended by the number of business days corresponding to those which were declared as non-working holidays.

This Application, together with all other required and applicable attachments as specified above (in form and substance as prescribed herein), must be received by BA Securities, Inc. (the "Tender Offer Agent") not later than 5:00 p.m. on 12 December 2022 at its address specified below. Applications received after the end of the Tender Offer Period shall be rejected unless the Tender Offer Period is extended by the Bidder, upon prior approval by the SEC. Applications that are not properly completed, or lack any of the required attachments will also be rejected. If the Tender Offer Agent is unable to verify the signature on the Application or the endorsement of the relevant stock certificates, the Tender Offer Agent will also reject the Application.

Tendering Shareholders who hold stock certificates should submit within the Tender Offer Period their duly endorsed stock certificates and this duly accomplished Application together with abovementioned requirements to the Tender Offer Agent at its office address below:

BA Securities, Inc.  
Suite 401-403 CLMC Bldg., 256-268 EDSA, Greenhills, Mandaluyong City, Metro Manila, Philippines 1550  
Contact Persons:

| Name            | Telephone Number                                  | Email Address                     |
|-----------------|---------------------------------------------------|-----------------------------------|
| Maria Fe Tan    | (+632)87275374;<br>(+632)87220132;<br>09164363210 | settlement@basecuritiesinc.com.ph |
| Rodolfo Serrano | (+632)87275374;<br>(+632)87220132;<br>09164908917 | accounting@basecuritiesinc.com.ph |
| Pepito Alcaraz  | (+632)87275374;<br>(+632)87220132;<br>09735389578 | alcaraz.pepito@gmail.com          |

Scriptless Shareholders (i.e., shareholders of the Company whose shares are lodged with the Philippine Depository and Trust Corporation ("PDTC")) should likewise submit within the Tender Offer Period this duly accomplished Application and should cause and instruct their brokers to electronically transfer their Tender Offer Shares to the Tender Offer Agent for receipt by the Tender Offer Agent prior to 5:00 p.m. on 12 December 2022.

Scriptless shareholders who wish to accept the offer must complete the Application in triplicate and submit the same with the attachments required for individual shareholders, corporate shareholders, or partnerships (as applicable) set forth above to the Tender Offer Agent no later than the end of the Tender Offer Period.

In addition, such Scriptless Tendering Shareholders must instruct their brokers to electronically transfer their Tender Offer Shares to the Tender Offer Agent. The member broker(s) of the PSE who hold(s) the Tender Offer Shares should, upon receipt of the notice of the Tender Offer, immediately notify the relevant Tendering Shareholder that should the Tendering Shareholder wish to sell its/her shares in the Company to the Bidder, the Tendering Shareholder must instruct said participating broker to electronically transfer its/their shares to the Tender Offer Agent, as custodian for such shares, not later than 5:00 p.m. on 12 December 2022.

Participating brokers are required to submit separate Applications for Filipino and non-Filipino Scriptless Tendering Shareholders. In addition, participating brokers are also required to submit separate Applications for taxable and tax-exempt Filipino Scriptless Tendering Shareholders.

When tendering shares, the participating brokers are required to submit the letter to the Tender Offer Agent (in the form of Annex A to the Instructions to Participating Brokers, which is Exhibit G to the SEC Form 19-I) not later than 5:00 p.m. on 12 December 2022 as well as the duly completed Application.

The shares tendered may be withdrawn by the relevant Tendering Shareholder any time during the Tender Offer Period, but only up to 5:00 p.m. on 12 December 2022, by submitting a written request for the withdrawal of the relevant Tendered Shares to the Tender Offer Agent, together with a copy of the Shareholder's Copy of the Application issued by the Tender Offer Agent. For a withdrawal to be effective, the written notice of withdrawal must be timely received by the Tender Offer Agent at the address(es) set forth herein and must be delivered in accordance with the procedure and conditions set forth in the Tender Offer Report.

Subject to the Terms and Conditions of the Tender Offer, all the Tendered Shares shall be purchased by the Bidder (subject to prior approval by the PSE) by way of block sale through the facilities of the PSE on or about 19 December 2022 (the "Cross Date").

The Settlement Date for the net proceeds of the sale of the tendered Company shares shall be made on 22 December 2022 (the "Settlement Date"), subject to any extension of the Tender Offer Period with the prior approval of the SEC. Payments for the Tender Offer Shares that have been accepted and purchased by the Bidder shall be made available by the Tender Offer Agent to: (i) each selling broker which delivered the scriptless shares of its underlying clients, the Scriptless Shareholders; or (ii) the Tendering Shareholders that have delivered certificated shares directly to the Tender Offer Agent. Unless the Tendering Shareholder opts to execute an Authority to Credit the net proceeds of the sale, checks shall be available for pick-up at the Tender Offer Agent's office beginning the Settlement Date up to thirty (30) days thereafter at the office address of the Tender Offer Agent indicated above.

Any payment not collected from the Tender Offer Agent within thirty (30) calendar days from the abovementioned date shall be dispatched, via registered mail, to the last recorded address of the Tendering Shareholder at the Tendering Shareholder's risk.

For inquiries on the Tender Offer, please contact the Tender Offer Agent at the contact details set forth above.

For inquiries on the number of shares and stock certificates of a shareholder in the Company, please contact the Company's Stock and Transfer Agent at the contact details set forth below:

Professional Stock Transfer, Inc.  
10/F, Eastern Telecom Plaza Building, 316 Sen. Gil Puyat Ave., Makati City  
Contact Person: Jeneline Serafica  
Tel. No. +63 2 8687-4053  
Email: info@professionalstocktransfer.com

Bonham Strand Investments Ltd.  
1 Kay Siang Road #12-02 Singapore 248922

**TERMS AND CONDITIONS**  
Tender Offer for Common Shares in  
Medco Holdings, Inc.

Bonham Strand Investments Ltd. (the "**Bidder**") shall purchase new common shares in Medco Holdings, Inc. ("MED") other than the Bidder, Citivest Asia Limited ("Citivest") and the members of the Board of Directors and the officers of MED (the "**Excluded Shareholders**"). in accordance with the Terms and Conditions set out below (the "**Terms and Conditions of the Tender Offer**"). Unless specifically defined herein or the context otherwise requires, capitalized terms used in these Terms and Conditions of the Tender Offer have the same meanings given to them in the Tender Offer Report (SEC Form 19-1) filed by the Bidder with MED, the Securities and Exchange Commission ("**SEC**") and the Philippine Stock Exchange, Inc. ("**PSE**") (the "**Tender Offer Report**").

- 1 **Bidder** : **BONHAM STRAND INVESTMENTS LTD.**
- 2 **Tender Offer Shares** : The Bidder shall acquire up to 635,747,315 common shares which will represent approximately 20.12% of the current outstanding common shares of MED, through a tender offer to all shareholders of MED other than the Excluded Shareholders.
- 3 **Tender Offer Price** : The Bidder shall purchase all Tender Offer Shares duly tendered ("**Tendered Shares**") by the tendering shareholders of MED ("**Tendering Shareholders**") at a price of Five Centavos (Php0.05) per share, payable by check.

The Tender Offer Price does not include customary selling charges amounting to 0.621% of the total transaction value<sup>1</sup> (excluding broker's selling commission and taxes thereon), which shall be for the Tendering Shareholder's account.

After deducting the customary selling charges from a Tendering Shareholder's account, the net Tender Offer Price is estimated to be Php0.04913 per share.

Other fees such as lodgment fee and EQ trade transfer fee (as applicable) are also for the account of the Tendering Shareholder.

<sup>1</sup> The customary selling charges, which amount to 1.74% of the total transaction value (including broker's selling commissions and taxes thereon which may be passed on by the broker), include:

| Type of Fees                                                                                                                                | % of Value of the Transaction |
|---------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| Brokerage Commission plus Value Added Tax                                                                                                   | 1.120%                        |
| Stock Transaction Tax (STT)                                                                                                                 | 0.600%                        |
| Securities Clearing Corporation of the Philippines (SCCP), Securities and Exchange Commission (SEC), Philippines Stock Exchange, Inc. (PSE) | 0.021%                        |

Other fees such as lodgment fee and EQ trade transfer fee (as applicable) are also for the account of the Tendering Shareholder.

The Tendering Shareholder and the Bidder shall each be responsible for any selling or buying broker's commissions and/or their own broker's commissions, costs, charges, transfer taxes, and other expenses, fees, and duties incurred in connection with the tender of the Tender Offer Shares, provided that the stock transaction tax and selling broker's commission (and/or any taxes thereon) payable on the transfer of the Tender Offer Shares shall be for the account solely of the Tendering Shareholder.

Any and all costs, charges, transfer taxes, expenses, fees, and duties that shall be for the account of the Tendering Shareholder shall be deducted by the Tender Offer Agent from the total price payable to such Tendering Shareholder.

4 **Entitlement** : Every shareholder of MED (other than the Excluded Shareholders) as of any date during the Tender Offer Period is entitled to sell all its/his/her Tender Offer Shares to the Bidder in accordance with and subject to the Terms and Conditions of the Tender Offer.

5 **Tender Offer Period** : The Tender Offer will start at 9:00 a.m. on 11 November 2022 and end at 5:00 p.m. on 12 December 2022 (the "**Tender Offer Period**"). The Bidder reserves the right to extend the Tender Offer Period (subject to prior approval from the SEC and notice to the PSE).

Without prejudice to the right of the Bidder (subject to prior approval by the SEC) to extend the Tender Offer Period, should any of the business days during the period from 11 November 2022, the commencement of the Tender Offer Period, and 12 December 2022, the end of the Tender Offer Period, inclusive, be officially declared as non-working holidays after the filing of the Tender Offer Report, the period shall be extended by the number of business days corresponding to those which were declared as non-working holidays.

6 **Closing Date** : 5:00 p.m. of 12 December 2022  
(End of the Tender Offer Period)

7 **Applications by Scrip Shareholders** : Scrip shareholders (i.e., shareholders who hold stock certificates) of MED who wish to sell their shares to the Bidder must complete the Application to Tender Common Shares (the "**Application**") in triplicate and submit the same with the attachments set out below to BA Securities, Inc. (the "**Tender Offer Agent**") at the address set forth below, which must be received by the Tender Offer Agent at the address set forth below not later than the end of the Tender Offer Period:

**BA Securities, Inc.**  
Suite 401-403 CLMC Bldg., 259-269 EDSA, Greenhills,  
Mandaluyong City, Metro Manila, Philippines 1550

**Contact Persons:**

| <b>Name</b>     | <b>Telephone Number</b>                           | <b>Email Address</b>              |
|-----------------|---------------------------------------------------|-----------------------------------|
| Maria Fe Tan    | (+632)87275374;<br>(+632)87220132;<br>09164363210 | settlement@basecuritiesinc.com.ph |
| Rodalyn Serrano | (+632)87275374;<br>(+632)87220132;<br>09164908917 | accounting@basecuritiesinc.com.ph |
| Pepito Alcaraz  | (+632)87275374;<br>(+632)87220132;<br>09755389578 | alcaraz.pepito@gmail.com          |

Scrip Shareholders must present their original stock certificates to the Stock Transfer Agent at its office as stated herein for authentication by the Stock Transfer Agent, and upon due authentication, submit their original stock certificates duly endorsed in blank and the duly accomplished Application to Tender Shares (the Application), together with all the requirement stated therein, to the Tender Offer Agent at its address as stated herein.

- a. Original stock certificates of MED duly endorsed, subject to verification by the Stock and Transfer Agent as valid and authentic certificates. For those whose stock certificate/s is/are lost: (i) one (1) original of a duly notarized affidavit of loss (in substantially the form of Annex E to the Application); (ii) copy of the affidavit of loss as published in a newspaper of general circulation; (iii) affidavit of publication (of affidavit of loss) executed by the publisher; and (iv) bond issued in favor of MED by a financial institution or other company acceptable to the Stock and Transfer Agent, in the amount of the Tender Offer Price of the shares covered by a lost stock certificate.
- b. For Individuals:
  - i. For Tendering Shareholders acting through an attorney-in-fact, a duly notarized Irrevocable Power of Attorney (in substantially the form attached as Annex B to the Application). For married individuals who are Philippine citizens, their respective spouses must sign the space provided in the Irrevocable Power of Attorney to indicate marital consent to the sale of the Tender Offer Shares.
  - ii. Photocopies of two (2) valid identification cards issued by a government agency of the Republic of the Philippines, showing the Tendering Shareholder's signature and photograph, i.e., driver's license, tax identification card, Social Security Services/Government Services and Insurance System card, or passport.

For Tendering Shareholders acting through an attorney-in-fact, photocopy of an identification card of the registered Tendering Shareholder shall form part of the notarized irrevocable power of attorney.

For Tendering Shareholders domiciled abroad, the power of attorney should be consularized or apostilled. If the Tendering Shareholder is unable to sign, the following should be presented:

- i. Medical certificate explaining the condition of the Tendering Shareholder, issued by a medical practitioner and indicating the doctor's license number; and,
- ii. Photocopy of the doctor's hospital identification cards.

For heirs who wish to tender inherited shares covered by stock certificate/s still in the name of the decedent:

i. Shares transferred by Judicial Settlement

- (a) Stock certificate in the name of the decedent;
- (b) Death certificate certified true and correct by the Civil Registrar;
- (c) Certified true copy of the relevant court order;
- (d) Original Bureau of Internal Revenue Certificate Authorizing Registration; and
- (e) Specimen signature card and photocopies of two (2) valid government-issued identification cards

ii. Shares transferred by Extra-Judicial Settlement

- (a) Stock certificate in the name of the decedent;
- (b) Death certificate certified true and correct by the Civil Registrar;
- (c) Original or certified true copy of extra-judicial settlement stamped received or annotated by the Registrar of Deeds;
- (d) Affidavit of publication executed by the publisher;
- (e) Original Bureau of Internal Revenue Certificate Authorizing Registration;
- (f) Two (2) years heirs' bond; and
- (g) Specimen signature card and photocopies of two (2) valid government-issued identification cards.

c. For Corporations:

- i. Notarized Board Resolution (in substantially the form of the Secretary's Certificate attached as Annex C to the Application) authorizing the sale of the Tender Offer Shares, designating signatories for the purpose and indicating the specimen signatures of those signatures.
- ii. Copy of SEC Certificate of Incorporation or equivalent constitutive document, certified as a true copy of the original by the Corporate Secretary or equivalent person having official custody of company records.
- iii. Copy of the latest Articles of Incorporation and By-laws of the Tendering Shareholder or equivalent charter documents, each certified as a true copy of the original by the Corporate Secretary or equivalent person having official custody of company records.
- iv. Duly accomplished Additional Personal Information Sheet and signature card containing the specimen signature of the Tendering Shareholder's designated

authorized signatories and verified by the Tendering Shareholder's broker or by an officer of the bank at which the Tendering Shareholder maintains an account (the signature card must specify the name of the broker and the broker's signatory or the name of the bank and the bank's signatory, as the case may be).

- v. Copy of the latest General Information Sheet (GIS) filed with the SEC and certified as a true copy of the original by the Corporate Secretary or equivalent persons having official custody of company records.

d. For Partnerships:

- i. Copy of SEC Certificate of Registration or equivalent constitutive document certified as a true copy of the original by the Partnership Secretary or equivalent person having official custody of the partnership records.
- ii. Copy of the latest Articles of Partnership of the Tendering Shareholder or equivalent charter document, certified as a true copy of the original by the Partnership Secretary or equivalent person having official custody of the partnership records.
- iii. Notarized Partnership Resolution (in substantially the form of the Partners' Certificate attached as Annex D to the Application) authorizing the sale of the Tender Offer Shares, designating signatories for the purpose and indicating the specimen signature of the signatories.
- iv. Duly accomplished Additional Personal Information Sheet and signature card containing the specimen signature of the Tendering Shareholder's designated authorized signatories and verified by the Tendering Shareholder's broker or by an officer of the bank at which the Tendering Shareholder maintains an account (the signature card must specify the name of the broker and the broker's signatory or the name of the bank and the bank's signatory, as the case may be).

**8 Application by  
Scripless  
Shareholders**

: Scripless shareholders (i.e., shareholders of MED whose shares are lodged with the Philippine Depository and Trust Corporation ("PDTC")) who wish to accept the offer must complete the Application in triplicate and submit the same with the attachments referred to in item (b), (c) or (d) above (as applicable) to the Tender Offer Agent at the address set out above no later than the end of the Tender Offer Period.

In addition, such Scripless Tendering Shareholders must instruct their brokers to electronically transfer their Tender Offer Shares to the Tender Offer Agent. The member broker(s) of the PSE who hold(s) the Tender Offer Shares, should, upon receipt of the notice of the Tender Offer, immediately notify the relevant Tendering Shareholder that should the

Tendering Shareholder wish to sell its/his/her shares in MED to the Bidder, the Tendering Shareholder must instruct said participating broker to electronically transfer its/his/her shares to the Tender Offer Agent, as custodian for such shares, not later than 5:00 p.m. on 12 December 2022.

Participating brokers are required to submit separate Applications for Filipino and non-Filipino Scripless Tendering Shareholders. In addition, participating brokers are also required to submit separate Applications for taxable and tax-exempt Filipino Scripless Tendering Shareholders.

When tendering shares, the participating brokers are required to submit the letter to the Tender Offer Agent (in the form of Annex A to the Instructions to Participating Brokers, which is Exhibit G to the SEC Form 19-1 filed by the Bidder with the SEC) not later than 5:00 p.m. on 12 December 2022 as well as the duly completed Application.

**9 Conditions to Acceptance**

- : The Tender Offer Shares shall be deemed accepted by the Bidder subject to the conditions that the Tender Offer Agent has determined that the Tendering Shareholders shall have submitted the required documents and obtained all the required approvals and authorizations to enable it to transfer the Tender Offer Shares to the Bidder before the expiration of the Tender Offer.

The obligation of the Bidder to purchase the Tender Offer Shares through the tender offer will be under the condition (among other conditions that the Bidder may prescribe) that during the Bidder's tender offer, the Common Shares will have been:

- (1) Validly tendered by MED's shareholders;
- (2) Eligible for or otherwise capable of being purchased by the Bidder; and
- (3) Accepted for purchase by the Bidder;

in each case, in accordance with the Tender Offer Conditions of the Tender Offer. In the event the Tender Offer Conditions are not met, the Bidder may, upon notice to the SEC and the PSE, withdraw the tender offer.

**10 Acceptance**

- : Acceptance of the Application is subject to the terms hereof. The Bidder, through the Tender Offer Agent, at its sole discretion, shall have the right to reject any Application that does not qualify and accept qualified Applications at any time before the Tender Offer Shares are sold to the Bidder through the facilities of the PSE. Applications (i) received after the Tender Offer Period, or (ii) that are not properly completed, or (iii) lack any of the requirements, will be rejected.

The Tender Offer Agent will accept Applications on the condition that the signature/endorsement on MED stock certificates matches with the signature on file with MED's Stock Transfer Agent, if such is available. The Tender Offer Agent will rely on the signature affixed on the Application and on the supporting identification documents or board resolution when it verifies the endorsement of the relevant MED

stock certificates. The Tender Offer Agent shall not be required to make further inquiries into the authenticity of the signature. If the Tender Offer Agent is unable to verify the signature on the Application or the endorsement of MED stock certificate, the Tender Offer Agent will also reject the Application.

**Tendering Shareholders whose Applications have been rejected, in whole or in part, shall be notified of such by the Tender Offer Agent on or before 13 December 2022.**

**All Applications shall be accepted only in the Philippines.**

Rejected shares shall be returned in the same form they were received to the Tendering Stockholder's broker (for scripless shares) or to the Tendering Stockholder (for certificated shares) no later than ten (10) business days from the end of the Tender Offer Period. Any and all costs and expenses incurred in connection with the return of the rejected shares shall be borne by the Tendering Shareholder.

- 11 Cross Date** : The accepted Tender Offer Shares are intended to be crossed at the PSE on or about 19 December 2022 (the "Cross Date"), subject to regulatory approvals.

Any change in the Cross Date shall be announced by the Bidder in 2 newspapers of general circulation in the Philippines.

- 12 Settlement Date** : The sale and purchase of the accepted Tender Offer Shares shall be settled on 22 December 2022 (the "Settlement Date"), subject to any extension of the Tender Offer Period with the approval of the SEC.

**All accepted Applications shall be settled only in the Philippines.**

The Tender Offer Agent will act as agent for the Tendering Shareholders for the purpose of receiving the check payments from the Bidder and transmitting the check payments to such Tendering Shareholders. The check payments to be issued to Tendering Shareholders shall be made available by the Tender Offer Agent for pick-up by the Tendering Shareholders starting on Settlement Date at its offices.

When collecting payment, the Tendering Shareholders shall present the "Applicant's Copy" of the Application as well as proper government identification (i.e., driver's license, tax identification card, Social Security Services/Government Services and Insurance System card, or passport). Duly authorized representatives shall be required to present an authorization letter from the Tendering Shareholders.

Tendering beneficial owners of Tender Offer Shares are advised to consult with their custodian, fiduciaries, or other similar agents to the manner by which they may collect payment from such agents.

In any event, no payment shall be made without the Tender Offer Agent having timely received the duly accomplished Application, the stock certificates evidencing the Tender Offer Shares and other documents required herein.

Any payment not collected within thirty (30) business days from the Cross Date shall be dispatched via registered mail, to the address of the Tendering Shareholder indicated in the Application, at the risk of the Tendering Shareholders

- 13 Withdrawal** : Tendering Shareholders shall have the right to withdraw any Tender Offer Shares at any time during the Tender Offer Period but only up to 5:00 p.m. on 12 December 2022, by submitting a written request for the withdrawal of the Tender Offer Shares to the Tender Offer Agent with a copy of the "Applicant's Copy" of the Application issued by the Tender Offer Agent.

For withdrawal of Tendered Shares to be effective, a written notice of withdrawal must be received by the Tender Offer Agent before 5:00 p.m. on 12 December 2022 at the address set forth herein. The notice must specify the name of the Tendering Shareholder and the number of Tender Offer Shares to be withdrawn. If the stock certificates evidencing the Tender Offer Shares have been delivered to the Tender Offer Agent, the serial numbers shown on such certificates must be submitted to the Tender Offer Agent prior to the physical release of such certificates. No request for withdrawal of fractions of Tender Offer Shares will be considered. The Tender Offer Agent shall have the right in its sole discretion, to determine the form and validity of the notice of withdrawal, including the time receipt thereof.

All expenses incurred by the Tender Offer Agent in respect of withdrawal of Tender Offer Shares shall be for the account of the Tendering Shareholder making the withdrawal.

- 14 Tendering Expenses** : The Tender Offer Price does not include customary selling charges amounting to 1.74% of the total transaction value<sup>2</sup> (including broker's selling commission and taxes thereon), which shall be for a Tendering Shareholder's account.

<sup>2</sup> The customary selling charges, which amount to 1.74% of the total transaction value (including broker's selling commissions and taxes thereon which may be passed on by the broker), include:

| Type of Fees                                                                                                                                | % of Value of the Transaction |
|---------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| Brokerage Commission plus Value Added Tax                                                                                                   | 1.120%                        |
| Stock Transaction Tax (STT)                                                                                                                 | 0.600%                        |
| Securities Clearing Corporation of the Philippines (SCCP), Securities and Exchange Commission (SEC), Philippines Stock Exchange, Inc. (PSE) | 0.021%                        |

Other fees such as lodgment fee and EQ trade transfer fee (as applicable) are also for the account of the Tendering Shareholder.

The Tendering Shareholder and the Bidder shall each be responsible for any selling or buying broker's commissions and/or their own broker's commissions, costs, charges, transfer taxes, and other expenses, fees, and duties incurred in connection with the tender of the Tender Offer Shares, provided that the stock transaction tax and selling broker's commission (and/or any taxes thereon) payable on the transfer of the Tender Offer Shares shall be for the account solely of the Tendering Shareholder.

Any and all costs, charges, transfer taxes, expenses, fees, and duties that shall be for the account of the Tendering Shareholder shall be deducted by the Tender Offer Agent from the total price payable to such Tendering Shareholder.

All expenses in relation to the sale of the Tender Offer Shares attributable to the Tendering Shareholders shall be for the account of the Tendering Shareholder.

- 15 **Representations and Warranties of Tendering Shareholder** : By accepting the Tender Offer and tendering the Common Shares pursuant thereto, each Tendering Shareholder is deemed to have represented and warranted to the Bidder as follows:
- (i) All information contained in the Application and its attachments are true and correct and that the signatures thereon are genuine, properly authorized and obtained without use of fraud, coercion or any other vice of consent.
  - (ii) Each Tendering Shareholder is the registered and absolute legal and beneficial owner of, with good and marketable title to the Tendered Shares.
  - (iii) The Tendered Shares have been validly issued and fully paid, and are non-assessable.
  - (iv) Each Tendering Shareholder has obtained all the required approvals and authorizations to enable it/him/her to transfer the Tendered Shares to the Bidder before the expiration of the Tender Offer Period and it/he/she is not aware of any objection, adverse claim, dispute, or notice concerning its/his/her right to tender and transfer the Tender Offer Shares.
  - (v) Upon the transfer of the Tendered Shares in accordance with the Tender Offer, the Bidder will obtain full and valid legal and beneficial title to and ownership of the Tendered Shares, free and clear from any warrants, interests, options, claims, objections, disputes, liens, or other encumbrances and will be able to freely and fully exercise all rights and privileges arising from ownership of such Tendered Shares, including but not limited to the right to vote and receive dividends thereon.

(vi) The tender of any or all of the Tendered Shares by a Tendering Shareholder and/or the purchase or transfer thereof by the Bidder in accordance with the Tender Offer does not and will not constitute a breach or other default of the Tendering Shareholder's constitutive documents (as applicable) or of any agreement or arrangement, law, order, or regulations applicable to the Tendered Shares, the Tendering Shareholder, or to which any of the foregoing may be bound.

(vii) Each Tendering Shareholder has read and understood, and has relied solely upon the provisions of the Tender Offer Report, any and all documents and materials provided by the Bidder in connection therewith or in relation thereto, and the Terms and Conditions of the Tender Offer as stated therein, and unconditionally accepts such terms and conditions. The Tendering Shareholder understands that no person has been authorized to give information or to make any representation with respect to the Tender Offer other than those specified and made in the Tender Offer Report.

- 16 SEC Form 19-1 and other Tender Offer Documents : The terms set out in the Tender Offer Report shall form integral parts of these Terms and Conditions of the Tender Offer. Any Tendering Shareholder wishes to obtain a copy of the said Tender Offer Report may do so at the office of the Tender Offer Agent. Copies of the Tender Offer Report have also been filed with the SEC and PSE and submitted to MED.
- 17 Inquiries : For inquiries regarding the Tender Offer, please contact the Tender Offer Agent at the contact details set forth below.

**BA Securities, Inc.**

Suite 401-403 CLMC Bldg., 259-269 EDSA, Greenhills,  
Mandaluyong City, Metro Manila, Philippines 1550  
Contact Persons:

| Name            | Telephone Number                                  | Email Address                     |
|-----------------|---------------------------------------------------|-----------------------------------|
| Maria Fe Tan    | (+632)87275374;<br>(+632)87220132;<br>09164363210 | settlement@basecuritiesinc.com.ph |
| Rodalyn Serrano | (+632)87275374;<br>(+632)87220132;<br>09164908917 | accounting@basecuritiesinc.com.ph |

For inquiries on the number of shares and stock certificates of a shareholder in MED, please contact MED's Stock and Transfer Agent at the contact details set forth below:

**Professional Stock Transfer, Inc.**

10/F, Eastern Telecom Plaza Building, 316 Sen. Gil Puyat Ave.,  
Makati City

Contact Person: Jeneline Serafica  
Tel. No. (+632) 8687-4053  
Email: [info@professionalstocktransfer.com](mailto:info@professionalstocktransfer.com)

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, BONHAM STRAND INVESTMENTS LTD. (the "Bidder") has filed a Tender Offer Report (SEC Form 19-1, including its annexes, exhibits and schedules) (the "Tender Offer Report") with the Company, the Securities and Exchange Commission ("SEC") and the Philippine Stock Exchange ("PSE") in connection with its tender offer (the "Tender Offer") to acquire of up to 635,747,315 common shares (the "Tender Offer Shares"), representing approximately 20.12% of its outstanding common shares, from shareholders of the Company at the tender offer price of Php0.05 per common share (the "Tender Offer Price") subject to the Terms and Conditions of the Tender Offer as stated in the Tender Offer Report (the "Terms and Conditions of the Tender Offer").

WHEREAS, for valuable consideration, the Seller hereby irrevocably names, constitutes, and appoints \_\_\_\_\_ (the "Attorney-in-Fact") as its/his/her attorney-in-fact, with full power and authority to:

- (a) tender \_\_\_\_\_ common shares of stock in the Company owned by the Seller to the Bidder in response to the Tender Offer and in accordance with and subject to the terms thereof, and to sign, execute, and deliver, for and on behalf of the Seller, the shares of stock in the Company owned by the Seller as contemplated by the Tender Offer and any documents in relation to the Tender Offer including the application for the Tender Offer;
- (b) give any notice, request, consent, or waiver of any right, or receive any notice or communication, or act on any request, as may be required of or permitted to be made by common shareholders of the Company under the Tender Offer and any other documents contemplated thereby;
- (c) receive or deliver any money or funds due to the Seller under the Tender Offer and any other document contemplated thereby, and issue a receipt for any money so received or delivered; and
- (d) do any and all things necessary or appropriate to give full effect to and implement the foregoing.

HEREBY GIVING AND GRANTING unto my Attorney-in-Fact full power and authority to do or perform all and every act necessary to carry into effect the foregoing, as fully to all intents and purposes as the Seller might or could lawfully do, with full power of substitution and revocation, and HEREBY RATIFYING AND CONFIRMING all that my Attorney-in-Fact shall lawfully do or cause to be done under and by virtue of these presents as well as those already done heretofore.

IN WITNESS WHEREOF, the Seller has executed this Special Power of Attorney this \_\_\_\_\_ at \_\_\_\_\_.

\_\_\_\_\_  
SELLER

With my marital consent:

\_\_\_\_\_  
Name of Spouse (if applicable)

Conforme:

\_\_\_\_\_  
Attorney-in-Fact

BEFORE ME, a Notary Public for and in \_\_\_\_\_ on this \_\_\_\_\_ personally appeared \_\_\_\_\_ with \_\_\_\_\_ Number \_\_\_\_\_ issued at \_\_\_\_\_ on \_\_\_\_\_, known to me to be the same person who executed the foregoing Special Power of Attorney and who acknowledged to me that the same is his/her free will and voluntary act and deed.

WITNESS MY HAND AND NOTARIAL SEAL on the date and place first above written.

Doc. No. \_\_\_\_;  
Page No. \_\_\_\_;  
Book No. \_\_\_\_;  
Series of 2022.

I, \_\_\_\_\_, of legal age, \_\_\_\_\_ (nationality), and with business address at \_\_\_\_\_, after having been duly sworn in accordance with law, hereby depose and state that:

- "RESOLVED, to authorize the participation by the Corporation in the Tender Offer of shares of MEDCO HOLDINGS, INC. (the "Company") offered by the Bidder pursuant to the Terms and Conditions of the Tender Offer and, for this purpose, to tender for purchase by the Bidder \_\_\_\_\_ (\_\_\_\_\_) common shares in the Company, at the Tender Offer Price (as defined in the Tender Offer Report), in accordance with the terms and conditions of the Tender Offer as stated therein;

"RESOLVED, further, that the following officer/s of the Corporation, acting singly, be designated as authorized agents in the Tender Offer, whose respective signatures shall bind the Corporation, to wit:

- (a) \_\_\_\_\_
- (b) \_\_\_\_\_
- (c) \_\_\_\_\_

2. The specimen signatures of the foregoing signatories of the Corporation are as follows:

| Name  | Specimen Signature |
|-------|--------------------|
| _____ | _____              |
| _____ | _____              |
| _____ | _____              |

IN WITNESS WHEREOF, I have hereunto set my hand on this \_\_\_\_\_ in \_\_\_\_\_, Philippines.

\_\_\_\_\_  
Corporate Secretary

SUBSCRIBED AND SWORN TO before me this \_\_\_\_\_ at \_\_\_\_\_  
affiant exhibited to me his/her \_\_\_\_\_ Number \_\_\_\_\_ issued at \_\_\_\_\_  
on \_\_\_\_\_.

Doc. No. \_\_\_\_;  
Page No. \_\_\_\_;  
Book No. \_\_\_\_;  
Series of 2022.

**IRREVOCABLE POWER OF ATTORNEY FOR PARTNERSHIP PARTNERS  
RELATING TO A PROPOSED OFFER TO BUY SHARES IN  
MEDCO HOLDINGS, INC.**

\_\_\_\_\_  
[Name of Partnership] (the "Partnership"), with address at \_\_\_\_\_, HEREBY IRREVOCABLY APPOINTS \_\_\_\_\_ [Name of Broker] (the "BROKER"), acting through any of its directors or officers, to be the attorney-in-fact of the Partnership, to act in the name of the Partnership and on the Partnership's behalf, to do all acts and things whatsoever requisite, necessary or convenient to be done, as it may in its absolute discretion determine, in connection with the sale or transfer of the \_\_\_\_\_ [number of shares] common shares, held by the Partnership in MEDCO HOLDINGS, INC. (the "Company") (the "Shares") in favor of BONHAM STRAND INVESTMENTS LTD. (the "Bidder") under the Terms and Conditions of the Tender Offer by the Bidder for the common shares of the Company pursuant to the Tender Offer Report (SEC Form 19-1, including its annexes, exhibits and schedules) (the "Tender Offer Report") filed by the Bidder with the Company, the Securities and Exchange Commission ("SEC") and the Philippine Stock Exchange ("PSE") in connection with its tender offer (the "Tender Offer") to acquire of up to 635,747,315 common shares (the "Tender Offer Shares"), representing approximately 20.12% of its outstanding common shares, from shareholders of the Company, at the tender offer price of Php0.05 per common share (the "Tender Offer Price") subject to the Terms and Conditions of the Tender Offer as stated in the Tender Offer Report (the "Terms and Conditions of the Tender Offer"). In particular:

- (a) to represent and warrant to the Bidder that: (i) the Partnership is the sole, absolute, legal and beneficial owner of the Shares and has good, valid and marketable title to the Shares, free from any liens, encumbrances, and restrictions of any kind and nature, (ii) the Partnership can and has full authority to transfer good, valid and clean title to the Shares, and is not aware of any objection, adverse claim, dispute or notice concerning its right to tender and transfer the Shares; (iii) Bidder will obtain full and valid title to Shares, free and clear from any warrants, interests, options, liens, claims, objections, disputes, and encumbrances and will be able to freely and fully exercise all rights and privileges arising from ownership of Shares, including but not limited to the right to vote and receive dividends; and (iv) the Shares are fully paid and non-assessable and there are no further amounts payable by the Partnership to the Company or to any other entity in respect of these securities; and (v) the transfer of the Shares to the Bidder shall not constitute a breach of the constitutive documents of the Partnership or of any agreement or arrangement, law, order or regulations or other issuances applicable to the Shares or the partnership or its assets or properties;
- (b) to sell the Shares to the Bidder through the Philippine Stock Exchange ("PSE") at the Tender Offer Price in accordance with the Terms and Conditions of the Tender Offer;
- (c) to sign, execute, and complete on behalf of the Partnership any agreement or document required in connection with or for the purpose of the sale or transfer of the Shares and to ensure that any transfer of the same is effected in the stock and transfer book of the Company and in the system of the Philippine Depository & Trust Corp.;

- (d) to receive and accept the payment for the Shares on behalf of the Partnership pursuant to the sale or transfer of Shares, and to deduct all expenses in relation to the sale or transfer of Shares; and
- (e) to do or cause to be done any and all such acts and things as shall be necessary or desirable to effect the transfer of the Shares including the appointment of substitute/s and /or broker(s) who will effect the sale or transfer of the Shares through the PSE.

HEREBY CONFIRMING AND RATIFYING everything which the BROKER or any of its duly authorized directors or officers or substitute/s shall do or purport to do under this Irrevocable Power of Attorney and holding the BROKER, its directors, officers, agents, employees, representatives or substitute/s, free from any liability and agree to indemnify the latter from any claims, damages or liabilities which may result, directly or indirectly, from the performance of the transactions pursuant to the terms of this Power of Attorney, which is given in consideration of the BROKER effecting the sale of the Shares as soon as possible and in any event not later than the Cross Date as defined in the Terms and Conditions of the Tender Offer or any extended date approved by the SEC; provided that, if the sale is not made by such date, this Irrevocable Power of Attorney shall automatically lapse without need of any act on the part of the Partnership; and provided further that this Irrevocable Power of Attorney shall be governed by and construed in accordance with the laws of the Republic of the Philippines.

This Irrevocable Power of Attorney is given in consideration of the BROKER effecting the sale of the Shares as soon as possible and in any event not later than the Cross Date as defined in the Terms and Conditions of the Tender Offer filed by the Bidder with the SEC, or any extended date approved by the SEC. If the sale is not made by such date, this Irrevocable Power of Attorney shall automatically lapse without need of any act on the part of the Partnership.

IN WITNESS WHEREOF this Irrevocable Power of Attorney has been executed on this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
(Signature over Printed Name of Authorized  
Signatory/ies of Partnership Partner)

\_\_\_\_\_  
Signature over Printed Name of Witness

\_\_\_\_\_  
Signature over Printed Name of Witness

**Annex "E"**  
**Form of Affidavit of Loss**

REPUBLIC OF THE PHILIPPINES     )  
\_\_\_\_\_                                     ) S.S.

**AFFIDAVIT OF LOSS**

I, \_\_\_\_\_, of legal age, \_\_\_\_\_ (nationality), married / single, and a resident of \_\_\_\_\_, after having been duly sworn in accordance with law, do hereby depose and state:

That I am a stockholder of **MEDCO HOLDINGS, INC.** (the "Company"), owning \_\_\_\_\_ common shares registered under the name \_\_\_\_\_, represented by the following Certificates of Stock:

**Certificate No.**

**Number of Shares**

That the above-mentioned certificates of stock were discovered missing and have not been found or located despite diligent search;

That the above-mentioned certificates of stock have not been sold, pledged, mortgaged, nor in any way encumbered by me, and that they are free from any lien or encumbrances;

That this affidavit has been executed for the purpose of securing new certificate/s in replacement of the certificates of stock mentioned above and to request the Company to take the necessary steps to prevent the negotiation or transfer of said lost certificate/s.

IN WITNESS WHEREOF, I have hereunto set my hand on this \_\_\_\_\_ at \_\_\_\_\_, Philippines.

\_\_\_\_\_  
Affiant

SUBSCRIBED AND SWORN TO before me this \_\_\_\_\_ at \_\_\_\_\_  
affiant exhibited to me his/her \_\_\_\_\_ Number \_\_\_\_\_ issued at \_\_\_\_\_  
on \_\_\_\_\_.

Doc. No. \_\_\_\_;  
Page No. \_\_\_\_;  
Book No. \_\_\_\_;  
Series of 2022.

**Annex "F"**  
***Form of Instruction to Participating Brokers***  
***for delivering the shares of their clients to the Tender Offer Agent,***  
***BA Securities, Inc.***

**INSTRUCTIONS TO BROKERS**

In connection with the tender offer by BONHAM STRAND INVESTMENTS LTD. (the "Bidder") to acquire common shares in MEDCO HOLDINGS, INC. ("MED"), the following are the stock transfer guidelines for brokers who hold shares of their clients in MED under their respective Philippine Depository Trust Corporation ("PDTC") accounts (the "Participating Brokers").

The Bidder is proposing to acquire the Tender Offer Shares (as herein defined) at the Tender Offer Price (as herein defined) in accordance with the Terms and Conditions of the Tender Offer. The Tender Offer Shares consist of up to 635,747,315 common shares of MED, comprising approximately 20.12% of the outstanding common shares of MED (the "Tender Offer Shares"). The consideration for the Tender Offer Shares shall be Php0.05 per common share (the "Tender Offer Price"), excluding any customary selling charges and any selling broker's commission and taxes thereon (all of which shall be for a tendering shareholder's account), payable in check beginning on the Settlement Date.

Participating Brokers should inform their clients that all shareholders of MED except the Excluded Shareholders are eligible to participate in the Tender Offer. The Tender Offer Period shall begin at 9:00 a.m. on 11 November 2022 and end at 5:00 p.m. on 12 December 2022. Only those shares electronically transferred to BA Securities, Inc. (the "Tender Offer Agent") as of 5:00 p.m. on 12 December 2022 are eligible for the Tender Offer. Shareholders of MED may withdraw the tendered securities any time during the Tender Offer Period in accordance with the procedures set out in the Tender Offer Report.

Should their clients wish to participate in the Tender Offer, the Participating Brokers should request such clients to issue a formal instruction for said Participating Brokers to electronically transfer their common shares in MED to the Tender Offer Agent who will act as custodian for such common shares. Fees for withdrawal and/or transfer will be for the Participating Broker's account.

For orderly transfer and accurate tracking, the Participating Brokers should deliver an originally signed letter to the Tender Offer Agent (in substantially the attached form) citing the exact number of shares being transferred under the Tender Offer.

**SAMPLE FORM OF LETTER FROM THE PARTICIPATING BROKER**

[Date]

BA Securities, Inc.  
Suite 401-403 CLMC Bldg.  
259-269 EDSA, Greenhills, Mandaluyong City  
Metro Manila, Philippines 1550

Attention: \_\_\_\_\_

Gentlemen:

We are delivering \_\_\_\_\_ shares of Medco Holdings, Inc. ("MED") from our clients who wish to participate in the Tender Offer by Bonham Strand Investments Ltd. (the "Bidder") for shares of MED pursuant to the Tender Offer Report (SEC Form 19-1) filed by the Bidder with the Securities and Exchange Commission and the Terms and Conditions of the Tender Offer in Annex "A" thereof (the "Terms and Conditions of the Tender Offer"), which we have read and understood. Our clients commit to sell and authorize BA Securities, Inc. (the "Tender Offer Agent") to sell these shares for the purchase price indicated in the said Terms and Conditions of the Tender Offer. These shares shall be in custodianship by the Tender Offer Agent until such time that the transfer of these common shares of MED to the Bidder has been effected by the Tender Offer Agent.

Thank you.

Very truly yours,

By: [authorized signatory]

\_\_\_\_\_  
Broker's Name

\_\_\_\_\_  
PDTC Account No.

**EXHIBIT "E" to the Tender Offer Report**  
***Form of Announcement of Intention to Conduct Tender Offer***

27 September 2022

**TO ALL SHAREHOLDERS OF  
MEDCO HOLDINGS, INC.**

This is to announce that a mandatory tender offer will be conducted by Bonham Strand Investments Ltd. for common shares of stock of Medco Holdings, Inc. ("MED") which are listed in the Philippine Stock Exchange (PSE). The tender offer will cover all outstanding common shares of MED other than those held by the Bidder, Citivest Asia Limited and the members of the Board of Directors and the officers of MED. As of 31 August 2022, MED has an authorized capital stock of Four Hundred Seventy Million Pesos (P470,000,000.00) divided into Nine Billion Four Hundred Million (9,400,000,000) Common Shares with a par value of Five Centavos (P0.05) per share. Out of the authorized capital stock, a total of Three Billion One Hundred Fifty-Nine Million Two Hundred Ninety-Two Thousand Four Hundred Forty-One (3,159,292,441) Common Shares are outstanding and fully paid-up.

The following are the principal stockholders of MED:

- (i) Bonham Strand Investments Ltd. (the "Bidder"), holding 2,201,179,241 common shares equivalent to 69.67% of the total outstanding shares of MED; and
- (ii) Citivest Asia Limited, holding 322,314,874 common shares equivalent to 10.20% of the total outstanding shares of MED.

On 24 April 2018, the Securities and Exchange Commission (SEC) approved the decrease in MED's authorized capital stock from P700,000,000 divided into 700,000,000 common shares to P35,000,000 divided into 700,000,000 common shares by reducing the par value per share from P1.00 to P0.05. On 24 April 2018, the SEC approved MED's application for increase of its capital stock from P35,000,000 divided into 700,000,000 common shares to P470,000,000 divided into 9,400,000,000 shares. The Bidder subscribed to a total of 2,201,179,241 common shares issued out of MED's increase in authorized capital stock at a subscription price of P0.05 per share which was paid through the assignment of debts by MED to the Bidder amounting to P110,058,962.05 pursuant to a Subscription Agreement dated 31 May 2017.

As a result of the foregoing subscriptions by the Bidder of new shares in MED, the Bidder holds, directly and indirectly, approximately 69.67% of the total issued and outstanding capital stock of MED.

This subscription resulted in the Bidder acquiring control over at least 51% voting shares in MED, and triggers a mandatory tender offer under Section 19 of the Securities Regulation Code and the 2015 Implementing Rules and Regulations thereof.

The offer price for the tender offer will be Php0.05 per share.

The terms and conditions of the tender offer shall be announced separately and sent to the shareholders of MED together with the tender offer report under SEC Form 19-1, which will contain further information and instructions to shareholders who intend to tender their shares.

Very truly yours,

**BONHAM STRAND INVESTMENTS LTD.**

**Exhibit "F" to the Tender Offer Report  
Form of Letter from Bonham Strand Investments Ltd. to  
Medco Holdings, Inc. stockholders  
transmitting the Tender Offer Report**

**NOTICE OF THE TENDER OFFER  
TO COMMON SHAREHOLDERS OF MEDCO HOLDINGS, INC.**

**TO HOLDERS OF COMMON SHARES OF MEDCO HOLDINGS, INC.**

All holders of shares of common shares of MEDCO HOLDINGS, INC. (the "Common Shareholders" and "MED", respectively) are hereby notified that Bonham Strand Investments Ltd. (the "Bidder") filed a Tender Offer Report (SEC Form 19-1, including its annexes, exhibits and schedules) (the "Tender Offer Report") with MED, the Securities and Exchange Commission ("SEC") and the Philippine Stock Exchange ("PSE") in connection with its public tender offer (the "Tender Offer") to acquire of up to 635,747,315 common shares of MED (the "Tender Offer Shares"), representing approximately 20.12% of its outstanding common shares, from shareholders of MED, other than the Bidder, Citivest Asia Limited, and the members of the Board of Directors and the officers of MED (the "Excluded Shareholders"), at the tender offer price of Php0.05 per common share (the "Tender Offer Price") subject to the Terms and Conditions of the Tender Offer as stated in the Tender Offer Report (the "Terms and Conditions of the Tender Offer").

*Background on the Tender Offer*

As of 31 August 2022, MED has an authorized capital stock of Four Hundred Seventy Million Pesos (P470,000,000.00) divided into Nine Billion Four Hundred Million (9,400,000,000) Common Shares with a par value of Five Centavos (P0.05) per share. Out of the authorized capital stock, a total of Three Billion One Hundred Fifty-Nine Million Two Hundred Ninety-Two Thousand Four Hundred Forty-One (3,159,292,441) Common Shares are outstanding and fully paid-up.

The following are the principal stockholders of MED:

- (i) Bonham Strand Investments Ltd. (the "Bidder"), holding 2,201,179,241 common shares equivalent to 69.67% of the total outstanding shares of MED; and
- (ii) Citivest Asia Limited, holding 322,314,874 common shares equivalent to 10.20% of the total outstanding shares of MED.

On 24 April 2018, the Securities and Exchange Commission (SEC) approved the decrease in the MED's authorized capital stock from P700,000,000 divided into 700,000,000 common shares to P35,000,000 divided into 700,000,000 common shares by reducing the par value per share from P1.00 to P0.05. On 24 April 2018, the SEC approved MED's application for increase of its capital stock from P35,000,000 divided into 700,000,000 common shares to P470,000,000 divided into 9,400,000,000 shares. The Bidder subscribed to a total of 2,201,179,241 common shares issued out of MED's increase in authorized capital stock at a subscription price of P0.05 per share which was paid through the assignment of debts by MED to the Bidder amounting to P110,058,962.05 pursuant to a Subscription Agreement dated 31 May 2017.

As a result of the foregoing subscriptions by the Bidder to new shares in MED, the Bidder holds, directly and indirectly, approximately 69.67% of the total issued and outstanding capital stock of MED.

This subscription resulted in the Bidder acquiring control over at least 51% voting shares in MED, and triggers a mandatory tender offer under Section 19 of the Securities Regulation Code ("SRC") and the 2015 Implementing Rules and Regulations ("SRC IRR").

As required under a mandatory tender offer, the Bidder is prepared and offers to acquire up to 635,747,315 common shares of MED (the "Tender Offer Shares"), representing approximately 20.12% of the current outstanding common shares of MED, through a tender offer to all shareholders of MED excluding the Excluded Shareholders.

The tender offer shall be subject to the terms and conditions of the tender offer (the “**Terms and Conditions of the Tender Offer**”) attached as **Exhibit A** and made an integral part of the Tender Offer Report.

After the completion of the Tender Offer, the Bidder is considering the following plans:

- i. The Bidder shall cause the election of its representatives to MED’s Board of Directors and appointment of its nominees as key officers and members of management;
- ii. This Tender Offer will not result in the delisting of the Shares from the PSE; and
- iii. MED will continue to be subject to the disclosure requirements of SRC Rule 17.

#### *The Tender Offer*

Subject to the Terms and Conditions of the Tender Offer, the Bidder is conducting the Tender Offer for the Tender Offer Shares, at the Tender Offer Price, which is payable in check in accordance with the procedures set forth in the Tender Offer Report.

The Tender Offer Price does not include customary selling charges amounting to 1.74% of the total transaction value<sup>1</sup> (including broker’s selling commission and taxes thereon) which shall be for a tendering shareholder’s account. After deducting customary selling charges from a tendering shareholder’s account, the net Tender Offer Price will be Php0.04913 per share. Other fees such as lodgment fee and EQ trade transfer fee (as applicable) are also for the account of the Tendering Shareholder. The Tendering Shareholder and the Bidder shall each be responsible for any selling or buying broker’s commissions and/or their own broker’s commissions, costs, charges, transfer taxes, and other expenses, fees, and duties incurred in connection with the tender of the Tender Offer Shares, provided that the stock transaction tax payable on the transfer of the Tender Offer Shares shall be for the account solely of the Tendering Shareholder. The selling broker’s commission and/or any taxes thereon shall be payable by the Tendering Shareholder. Any and all costs, charges, transfer taxes, expenses, fees, and duties that shall be for the account of the Tendering Shareholder shall be deducted by the Tender Offer Agent from the total price payable to such Tendering Shareholder.

The maximum aggregate purchase price of the Tender Offer Shares that may be payable by the Bidder is approximately Php31,787,365.75. BA Securities, Inc. has confirmed that the resources available to the Bidder are sufficient to satisfy full acceptance of the Tender Offer Shares.

The Tender Offer shall start at 9:00 a.m. on 11 November 2022 and end at 5:00 p.m. on 12 December 2022 (the “**Tender Offer Period**”). The Bidder may extend the Tender Offer Period with prior approval from the SEC and notice to the PSE.

The Tender Offer Shares are intended to be crossed at the PSE on or about 19 December 2022 (the “**Cross Date**”), subject to regulatory approvals.

<sup>1</sup> The customary selling charges, which amount to 1.74% of the total transaction value (including broker’s selling commissions and taxes thereon which may be passed on by the broker), include:

| Type of Fees                                                                                                                                | % of Value of the Transaction |
|---------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| Brokerage Commission plus Value Added Tax                                                                                                   | 1.120%                        |
| Stock Transaction Tax (STT)                                                                                                                 | 0.600%                        |
| Securities Clearing Corporation of the Philippines (SCCP), Securities and Exchange Commission (SEC), Philippines Stock Exchange, Inc. (PSE) | 0.021%                        |

The sale and purchase of the accepted Tender Offer Shares shall be settled on 22 December 2022 (the “**Settlement Date**”), subject to any extension of the Tender Offer Period with the approval of the SEC.

Any change in the Cross Date shall be announced by the Bidder in 2 newspapers of general circulation in the Philippines.

Without prejudice to the right of the Bidder (subject to prior approval by the SEC) to extend the Tender Offer Period, should any of the business days during the period from 11 November 2022, the commencement of the Tender Offer Period, and 12 December 2022, the end of the Tender Offer Period, inclusive, be officially declared as non-working holidays after the filing of the Tender Offer Report, the period shall be extended by the number of business days corresponding to those which were declared as non-working holidays. For purposes hereof, a “business day” shall mean any day other than a Saturday, Sunday, or a non-working holiday on which banks are required to be open for business in Makati City, Philippines.

For inquiries on the Tender Offer, please contact the Tender Offer Agent at the contact details set forth below:

**BA Securities, Inc.**

Suite 401-403 CLMC Bldg., 259-269 EDSA, Greenhills, Mandaluyong City,  
Metro Manila, Philippines 1550

Contact Persons:

| Name            | Telephone Number                                  | Email Address                     |
|-----------------|---------------------------------------------------|-----------------------------------|
| Maria Fe Tan    | (+632)87275374;<br>(+632)87220132; 09164363210    | settlement@basecuritiesinc.com.ph |
| Rodalyn Serrano | (+632)87275374;<br>(+632)87220132;<br>09164908917 | accounting@basecuritiesinc.com.ph |

Application Forms together with all documentary requirements must be received by the Tender Offer Agent not later than **5:00 p.m. on 12 December 2022**.

For inquiries about the number of Common Shares of a shareholder in MED, please contact MED’s Stock and Transfer Agent at the contact details set forth below:

**Professional Stock Transfer, Inc.**

10/F, Eastern Telecom Plaza Building, 316 Sen. Gil Puyat Ave., Makati City

Contact Person: Jeneline Serafica

Tel. No. (+632) 8687-4053

Email: info@professionalstocktransfer.com

Tendering Shareholders who hold stock certificates and who wish to offer all or a portion of their Common Shares for acceptance and sale to the Bidder should, within the Tender Offer Period: (i) present their original stock certificates to the Stock Transfer Agent at its office as stated herein for authentication by the Stock Transfer Agent, and (ii) upon due authentication by the Stock Transfer Agent, submit their original stock certificates duly endorsed in blank and the duly accomplished Application to Tender Shares (the “**Application**”), together with all the requirements stated therein, to the Tender Offer Agent at its address as stated above.

On the other hand, Tendering Shareholders whose shares are lodged with the Philippine Depository Trust Corporation (“**PDTC**”) and who wish to participate in the Tender Offer should instruct their brokers (“**Participating Brokers**”) to accomplish and submit, on their behalf, the Application Form together with all requirements stated therein and instruct their Participating Broker to electronically transfer their Common Shares which they intend to tender to the Tender Offer Agent for receipt by the Tender Offer Agent prior to **5:00 p.m. on 12 December 2022**.

The Bidder or Tender Offer Agent reserves the right to require any Tendering Shareholder (or any person acting on its behalf, including any Participating Broker) to present or submit additional documents for purposes of, among others, enabling the Bidder or Tender Offer Agent to determine the validity, eligibility, and acceptability of any Tendered Shares. Defective applications (e.g., with discrepancy between the specimen signatures on file and the endorsement) must be corrected within the Tender Offer Period to avoid being rejected by the Bidder. **Hence,**

**Tendering Shareholders are strongly urged against tendering at the last minute to allow sufficient time to correct any deficiency in their application (or any document submitted in support thereof). Tendering Shareholders are also urged to indicate their telephone numbers in their respective Application Forms to allow the Tender Offer Agent to inform them immediately of any deficiency in their applications.**

Acceptance of any or all of the Tendered Shares by the Bidder for purchase pursuant to the Tender Offer is subject to the fulfilment (or waiver, in the Bidder's sole discretion) of all conditions set forth in the Tender Offer Report, including in particular the Terms and Conditions of the Tender Offer.

The Bidder has the right to withdraw the Tender Offer at any time prior to the Settlement Date if any of the Terms and Conditions of the Tender Offer are not met to its satisfaction, provided that written notice of the withdrawal of the Tender Offer shall be sent to all Tendering Shareholders on or before Settlement Date.

Any or all Tendered Shares may be withdrawn by the relevant Tendering Shareholder at any time during the Tender Offer Period by submitting a written request for the withdrawal of the relevant Tendered Shares, together with a copy of the Tendering Shareholder's Copy of the Application issued by the Tender Offer Agent. The last day to withdraw tendered Tender Offer Shares shall be 5:00 p.m. on 12 December 2022.

For a withdrawal to be effective, the written request of withdrawal must be timely received by the Tender Offer Agent at the address stated above. The written request for the withdrawal of any Tendered Shares must specify: (a) the name of the Tendering Shareholder, and (b) the number of Tendered Shares to be withdrawn. If the stock certificates evidencing the Tendered Shares have been delivered to the Tender Offer Agent, the serial number of such certificates must likewise be indicated in the written request for withdrawal. The Bidder has the right, in its sole discretion, to determine the validity of the written request for withdrawal.

Any Tendered Shares that are withdrawn in accordance herewith shall be returned in the same form they were received to the PDTC Participant within twenty (20) business days from the end of the Tender Offer Period. The cost of returning the Tender Offer Shares shall be borne by the shareholder making the withdrawal.

**Tendering Shareholders are advised to read the Application Form, the Tender Offer Report (including in particular the Terms and Conditions of the Tender Offer appended as Exhibit A thereof) as filed by the Bidder with the SEC, PSE and MED. For queries, please contact the Tender Offer Agent at the contact details set forth above. Copies of the Application Form and the Tender Offer Report may also be obtained by Common Shareholders, free of charge, from the Tender Offer Agent**

Yours truly,

**BONHAM STRAND INVESTMENTS LTD.**

**Exhibit "G" to the Tender Offer Report**  
**Form of Instruction to Participating Brokers**  
**for delivering the shares to their clients to the Tender Offer Agent,**  
**BA Securities, Inc.**

**INSTRUCTIONS TO BROKERS**

In connection with the tender offer by Bonham Strand Investments Ltd. (the "**Bidder**") to acquire common shares in MEDCO HOLDINGS, INC. ("**MED**"), the following are the stock transfer guidelines for brokers who hold shares of their clients in MED under their respective Philippine Depositary Trust Corporation (**PDTC**) accounts (the "**Participating Brokers**").

The Bidder is proposing to acquire the Tender Offer Shares (as herein defined) at the Tender Offer Price (as herein defined) in accordance with the Terms and Conditions of the Tender Offer. The Tender Offer Shares consist of up to 635,747,315 common shares of MED, comprising approximately 20.12% of the outstanding common shares of MED (the "**Tender Offer Shares**"). The consideration for the Tender Offer Shares shall be Php0.05 per common share (the "**Tender Offer Price**"), excluding any customary selling charges and any selling broker's commission and taxes thereon (all of which shall be for a tendering shareholder's account), payable in check beginning on the Settlement Date.

Participating Brokers should inform their clients that all shareholders of MED except the Excluded Shareholders are eligible to participate in the Tender Offer. The Tender Offer Period shall begin at 9:00 a.m. on 11 November 2022 and end at 5:00 p.m. on 12 December 2022. Only those shares electronically transferred to BA Securities, Inc. (the "**Tender Offer Agent**") as of 5:00 p.m. on 12 December 2022 are eligible for the Tender Offer. Shareholders of MED may withdraw the tendered securities any time during the Tender Offer Period in accordance with the procedures set out in the Tender Offer Report.

Should their clients wish to participate in the Tender Offer, the Participating Brokers should request such clients to issue a formal instruction for said Participating Brokers to electronically transfer their common shares in MED to the Tender Offer Agent who will act as custodian for such common shares. Fees for withdrawal and/or transfer will be for the Participating Broker's account.

For orderly transfer and accurate tracking, the Participating Brokers should deliver an originally signed letter to the Tender Offer Agent (in substantially the attached form) citing the exact number of shares being transferred under the Tender Offer.

**SAMPLE FORM OF LETTER FROM THE PARTICIPATING BROKER**

[Date]

**BA Securities, Inc.**  
Suite 401-403 CLMC Bldg.  
259-269 EDSA, Greenhills, Mandaluyong City  
Metro Manila, Philippines 1550

Attention: \_\_\_\_\_

Gentlemen:

We are delivering \_\_\_\_\_ shares of Medco Holdings, Inc. ("MED") from our clients who wish to participate in the Tender Offer by Bonham Strand Investments Ltd. (the "Bidder") for shares of MED pursuant to the Tender Offer Report (SEC Form 19-1) filed by the Bidder with the Securities and Exchange Commission and the Terms and Conditions of the Tender Offer in Annex "A" thereof ("Terms and Conditions of the Tender Offer"), which we have read and understood. Our clients commit to sell and authorize BA Securities, Inc. (the "Tender Offer Agent") to sell these shares for the purchase price indicated in the said Terms and Conditions of the Tender Offer. These shares shall be in custodianship by the Tender Offer Agent until such time that the transfer of these common shares of MED to the Bidder has been effected by the Tender Offer Agent.

Thank you.

Very truly yours,

By: [authorized signatory]

\_\_\_\_\_  
Broker's Name

\_\_\_\_\_  
PDTC Account No.

**MEDCO HOLDINGS, INC.**  
**LIST OF TOP 100 STOCKHOLDERS**  
**AS OF JUNE 30, 2022**

**EXHIBIT "H"**  
**to the Tender Offer Report**  
**List of MED's Top 100 Shareholders**  
**as of 30 June 2022**

| RANK | NAME                                              | TOTAL SHARES  | PERCENTAGE (%) |
|------|---------------------------------------------------|---------------|----------------|
| 1    | BONHAM STRAND INVESTMENTS LTD.                    | 2,201,179,241 | 69.6732        |
| 2    | PCD NOMINEE CORPORATION                           | 340,813,156   | 10.7876        |
|      | Filipino - 324,746,154                            |               |                |
|      | Non-Filipino - 16,067,002                         |               |                |
| 3    | CITIVEST ASIA LIMITED                             | 322,314,874   | 10.2021        |
| 4    | XU HANJIANG                                       | 258,113,200   | 8.1700         |
| 5    | SUNCENTURY ASIA LIMITED                           | 34,500,000    | 1.0920         |
| 6    | GATCHALIAN, REXLON                                | 1,000,000     | 0.0317         |
| 7    | LO, EDUARDO                                       | 394,000       | 0.0125         |
| 8    | IBARDOLAZA, MARITA                                | 100,000       | 0.0032         |
| 9    | CHONG, LILIAN                                     | 50,000        | 0.0016         |
| 10   | BAUTISTA, EMMANUEL T. &/OR BERNARDITA P. BAUTISTA | 40,000        | 0.0013         |
| 11   | UY, ARTURO &/OR ARNEL UY                          | 40,000        | 0.0013         |
| 12   | GUEVARA, ANNA GEORGINA                            | 23,000        | 0.0007         |
| 13   | CUA, HENRY                                        | 20,000        | 0.0006         |
| 14   | LIBERTAD DEVELOPMENT CORP                         | 20,000        | 0.0006         |
| 15   | ONG, LYN                                          | 20,000        | 0.0006         |
| 16   | RAMOS, ANGELA                                     | 20,000        | 0.0006         |
| 17   | AVIS, JOSE T.                                     | 19,000        | 0.0006         |
| 18   | CUA, BERNICE YANG                                 | 10,011        | 0.0003         |
| 19   | BANDA, JOVITA L.                                  | 10,000        | 0.0003         |
| 20   | DY, AURORA                                        | 10,000        | 0.0003         |
| 21   | GILI, GUILLERMO JR.                               | 10,000        | 0.0003         |
| 22   | JACINTO, ROBERT                                   | 10,000        | 0.0003         |
| 23   | MARQUEZ, MARY JOAN G.                             | 10,000        | 0.0003         |
| 24   | GUEVARA, ANNA GEORGINA ARROYO                     | 10,000        | 0.0003         |
| 25   | NG SIOK GO                                        | 10,000        | 0.0003         |
| 26   | OSI, AVELINO M.                                   | 10,000        | 0.0003         |
| 27   | REAMBILLO, MA. LEONORA                            | 10,000        | 0.0003         |
| 28   | TAN CHENG LENG                                    | 10,000        | 0.0003         |
| 29   | SIY, LIBERTAD                                     | 8,336         | 0.0003         |
| 30   | LIM, REMEDIOS                                     | 8,000         | 0.0003         |
| 31   | MILANTE, RACHEL B.                                | 6,000         | 0.0002         |
| 32   | DEE, DOMINGO AND/OR ALICE DEE                     | 5,500         | 0.0002         |
| 33   | CASACLANG, LAURO P. JR.                           | 5,000         | 0.0002         |
| 34   | CALIMAG, ELEANOR P.                               | 5,000         | 0.0002         |
| 35   | GUINOMLA, MOHAMAD TAHA A.                         | 5,000         | 0.0002         |
| 36   | LIPPO SECURITIES, INC. ACCOUNT NO. 11201084       | 5,000         | 0.0002         |
| 37   | LIM, LOLITA CO                                    | 5,000         | 0.0002         |
| 38   | PANLILIO, VICENTE                                 | 5,000         | 0.0002         |
| 39   | PADILLA, MAGDALENA                                | 5,000         | 0.0002         |
| 40   | SARTE, ELFREN R.                                  | 5,000         | 0.0002         |
| 41   | LIM, JOSE ANTONIO O.                              | 4,000         | 0.0001         |
| 42   | LIM, CYNTHIA O.                                   | 4,000         | 0.0001         |
| 43   | LIM, ROBERTO CECILIO                              | 4,000         | 0.0001         |
| 44   | EGUILOS, MICHELLE C.                              | 3,000         | 0.0001         |
| 45   | SO, KAREN L.                                      | 3,000         | 0.0001         |

**MEDCO HOLDINGS, INC.**  
**LIST OF TOP 100 STOCKHOLDERS**  
**AS OF JUNE 30, 2022**

| <b>RANK</b> | <b>NAME</b>           | <b>TOTAL SHARES</b> | <b>PERCENTAGE<br/>(%)</b> |
|-------------|-----------------------|---------------------|---------------------------|
| 46          | CUA, SANTIAGO JR.     | 2,500               | 0.0001                    |
| 47          | CUA, SEBASTIAN        | 2,500               | 0.0001                    |
| 48          | CUA, SONIA            | 2,500               | 0.0001                    |
| 49          | CUA, SUSAN            | 2,500               | 0.0001                    |
| 50          | BELLEZA, INES G.      | 2,000               | 0.0001                    |
| 51          | LEYSON, ANTONIO       | 2,000               | 0.0001                    |
| 52          | PACIFIC CEMENT CORP.  | 2,000               | 0.0001                    |
| 53          | DELA CRUZ, CRISANTO   | 1,500               | 0.0000                    |
| 54          | ABELLADA, ELAYDA      | 1,000               | 0.0000                    |
| 55          | ABELLADA, FLOR        | 1,000               | 0.0000                    |
| 56          | AU, YIU CHEUNG        | 1,000               | 0.0000                    |
| 57          | AU, WING CHEUNG       | 1,000               | 0.0000                    |
| 58          | AU-YEUNG, WING FAI    | 1,000               | 0.0000                    |
| 59          | AU, WOON HING         | 1,000               | 0.0000                    |
| 60          | AU, WAI HO            | 1,000               | 0.0000                    |
| 61          | AU, YEUNG CHAK NAM    | 1,000               | 0.0000                    |
| 62          | BRODY, EVELYN         | 1,000               | 0.0000                    |
| 63          | BURGOS, SENEN         | 1,000               | 0.0000                    |
| 64          | BACHTIAR, PRISCILLA   | 1,000               | 0.0000                    |
| 65          | CHUA, JERRY TEO       | 1,000               | 0.0000                    |
| 66          | CHUNG, LAN CHUN       | 1,000               | 0.0000                    |
| 67          | CHIU, CHI FAI         | 1,000               | 0.0000                    |
| 68          | CHEUNG, CHUN MING     | 1,000               | 0.0000                    |
| 69          | CARPIO, DIONISIO, JR. | 1,000               | 0.0000                    |
| 70          | CHEUNG, CHUN-WAI      | 1,000               | 0.0000                    |
| 71          | CHAN, YUK-SANG        | 1,000               | 0.0000                    |
| 72          | CHIN, KIN PONG        | 1,000               | 0.0000                    |
| 73          | CHONG, YUK MI         | 1,000               | 0.0000                    |
| 74          | CHOW, CHUN PONG       | 1,000               | 0.0000                    |
| 75          | CHUNG, WAI YEE        | 1,000               | 0.0000                    |
| 76          | CHOW, LAI PING        | 1,000               | 0.0000                    |
| 77          | CHAN, SIEW KHENG      | 1,000               | 0.0000                    |
| 78          | CHAN, TSUEN           | 1,000               | 0.0000                    |
| 79          | CHOI MOK WING         | 1,000               | 0.0000                    |
| 80          | CHAN, SAI NUNG        | 1,000               | 0.0000                    |
| 81          | CHAN, KWONG PAK       | 1,000               | 0.0000                    |
| 82          | CHAN, KWOK FAI        | 1,000               | 0.0000                    |
| 83          | CHAU, WAH SUN         | 1,000               | 0.0000                    |
| 84          | CHEANG, I KUAN        | 1,000               | 0.0000                    |
| 85          | CHAN, MI LING         | 1,000               | 0.0000                    |
| 86          | CHEUNG, MAN LAI       | 1,000               | 0.0000                    |
| 87          | CHEUNG, SUN WAN       | 1,000               | 0.0000                    |
| 88          | CHEUNG, PIK SHAN      | 1,000               | 0.0000                    |
| 89          | CHENG, PUI CHIU       | 1,000               | 0.0000                    |
| 90          | CHEUNG, WAI SHAN      | 1,000               | 0.0000                    |
| 91          | CHAN, WAI MOK         | 1,000               | 0.0000                    |
| 92          | CHEUNG, YIU WING      | 1,000               | 0.0000                    |
| 93          | CHUNG, PING WA        | 1,000               | 0.0000                    |
| 94          | CHAN, KIN MING        | 1,000               | 0.0000                    |

**MEDCO HOLDINGS, INC.**

LIST OF TOP 100 STOCKHOLDERS  
AS OF JUNE 30, 2022

| RANK | NAME                    | TOTAL SHARES  | PERCENTAGE<br>(%) |
|------|-------------------------|---------------|-------------------|
| 95   | CHU, YEE-LAP            | 1,000         | 0.0000            |
| 96   | CHEUNG, CHUN-TAO        | 1,000         | 0.0000            |
| 97   | CHAN, AY PING CHRISTINE | 1,000         | 0.0000            |
| 98   | CHENG, HAU LAI          | 1,000         | 0.0000            |
| 99   | CHAN, MING              | 1,000         | 0.0000            |
| 100  | CHAN, YUK-KAY           | 1,000         | 0.0000            |
|      |                         | 3,158,926,818 |                   |

## OUTSTANDING BALANCES FOR A SPECIFIC COMPANY

Company Code - MED000000000

Business Date: June 30, 2022

| BPNAME                                           | HOLDINGS   |
|--------------------------------------------------|------------|
| UPCC SECURITIES CORP.                            | 230,000    |
| A & A SECURITIES, INC.                           | 468,000    |
| ABACUS SECURITIES CORPORATION                    | 37,866,290 |
| PHILSTOCKS FINANCIAL INC                         | 5,522,364  |
| A. T. DE CASTRO SECURITIES CORP.                 | 514,000    |
| ALL ASIA SECURITIES MANAGEMENT CORP.             | 50,000     |
| BA SECURITIES, INC.                              | 631,000    |
| AP SECURITIES INCORPORATED                       | 7,597,000  |
| ANSALDO, GODINEZ & CO., INC.                     | 7,500,000  |
| AB CAPITAL SECURITIES, INC.                      | 4,835,000  |
| SB EQUITIES, INC.                                | 8,062,990  |
| ASIA PACIFIC CAPITAL EQUITIES & SECURITIES CORP. | 1,945,000  |
| ASIASEC EQUITIES, INC.                           | 600,000    |
| ASTRA SECURITIES CORPORATION                     | 20,000     |
| BELSON SECURITIES, INC.                          | 13,136,000 |
| BENJAMIN CO CA & CO., INC.                       | 20,000     |
| B. H. CHUA SECURITIES CORPORATION                | 2,000      |
| JAKA SECURITIES CORP.                            | 3,774      |
| BPI SECURITIES CORPORATION                       | 13,769,456 |
| CAMPOS, LANUZA & COMPANY, INC.                   | 160,000    |
| SINCERE SECURITIES CORPORATION                   | 1,635,000  |
| TRITON SECURITIES CORP.                          | 10,723,000 |
| IGC SECURITIES INC.                              | 7,632,000  |
| DAVID GO SECURITIES CORP.                        | 3,721,000  |
| DIVERSIFIED SECURITIES, INC.                     | 1,160,000  |
| E. CHUA CHIACO SECURITIES, INC.                  | 1,133,000  |
| EASTERN SECURITIES DEVELOPMENT CORPORATION       | 538,000    |
| EQUITIWORLD SECURITIES, INC.                     | 295,000    |
| EVERGREEN STOCK BROKERAGE & SEC., INC.           | 10,009,000 |
| FIRST INTEGRATED CAPITAL SECURITIES, INC.        | 10,000     |
| F. YAP SECURITIES, INC.                          | 898,000    |
| AURORA SECURITIES, INC.                          | 636,000    |
| GLOBALINKS SECURITIES & STOCKS, INC.             | 610,000    |
| JSG SECURITIES, INC.                             | 730,000    |
| GOLDSTAR SECURITIES, INC.                        | 90,000     |
| GUILD SECURITIES, INC.                           | 1,000,000  |
| HDI SECURITIES, INC.                             | 1,536,000  |
| H. E. BENNETT SECURITIES, INC.                   | 800,000    |
| I. ACKERMAN & CO., INC.                          | 60,000     |
| I. B. GIMENEZ SECURITIES, INC.                   | 70,000     |
| INVESTORS SECURITIES, INC.                       | 1,389,000  |
| IMPERIAL DE GUZMAN, ABALOS & CO., INC.           | 160,000    |
| INTRA-INVEST SECURITIES, INC.                    | 490,000    |
| ASIAN CAPITAL EQUITIES, INC.                     | 60,000     |
| J.M. BARCELON & CO., INC.                        | 100,000    |
| VALUE QUEST SECURITIES CORPORATION               | 1,500,000  |
| STRATEGIC EQUITIES CORP.                         | 37,000     |
| LARRGO SECURITIES CO., INC.                      | 50,000     |
| LIPPO SECURITIES, INC.                           | 10,890     |
| LUCKY SECURITIES, INC.                           | 450,000    |
| LUYS SECURITIES COMPANY, INC.                    | 272,000    |
| MANDARIN SECURITIES CORPORATION                  | 20,000     |
| COL Financial Group, Inc.                        | 46,478,491 |

| BPNAME                                            | HOLDINGS           |
|---------------------------------------------------|--------------------|
| DA MARKET SECURITIES, INC.                        | 2,010,000          |
| MERCANTILE SECURITIES CORP.                       | 835,000            |
| MERIDIAN SECURITIES, INC.                         | 780,000            |
| MDR SECURITIES, INC.                              | 63,000             |
| MOUNT PEAK SECURITIES, INC.                       | 568,000            |
| NEW WORLD SECURITIES CO., INC.                    | 3,398,000          |
| OPTIMUM SECURITIES CORPORATION                    | 1,020,000          |
| RCBC SECURITIES, INC.                             | 40,000             |
| PAN ASIA SECURITIES CORP.                         | 355,000            |
| PAPA SECURITIES CORPORATION                       | 11,615,000         |
| MAYBANK ATR KIM ENG SECURITIES, INC.              | 3,171,000          |
| PNB SECURITIES, INC.                              | 3,889,000          |
| PREMIUM SECURITIES, INC.                          | 1,377,000          |
| QUALITY INVESTMENTS & SECURITIES CORPORATION      | 3,961,000          |
| R. COYUTO SECURITIES, INC.                        | 4,613,000          |
| REGINA CAPITAL DEVELOPMENT CORPORATION            | 1,431,000          |
| R. NIJBLA SECURITIES, INC.                        | 29,054,000         |
| AAA SOUTHEAST EQUITIES, INCORPORATED              | 70,000             |
| R. S. LIM & CO., INC.                             | 150,000            |
| RTG & COMPANY, INC.                               | 1,635,000          |
| S.J. ROXAS & CO., INC.                            | 10,000             |
| SECURITIES SPECIALISTS, INC.                      | 30,000             |
| SUMMIT SECURITIES, INC.                           | 1,425,000          |
| STANDARD SECURITIES CORPORATION                   | 5,204,000          |
| TANSENGCO & CO., INC.                             | 805,000            |
| THE FIRST RESOURCES MANAGEMENT & SECURITIES CORP. | 20,000             |
| TOWER SECURITIES, INC.                            | 15,416,000         |
| TRANS-ASIA SECURITIES, INC.                       | 400,000            |
| APEX PHILIPPINES EQUITIES CORPORATION             | 10,000             |
| TRENDLINE SECURITIES CORPORATION                  | 150,000            |
| UCPB SECURITIES, INC.                             | 1,217,000          |
| VENTURE SECURITIES, INC.                          | 1,840,000          |
| FIRST METRO SECURITIES BROKERAGE CORP.            | 13,217,100         |
| WEALTH SECURITIES, INC.                           | 783,001            |
| WESTLINK GLOBAL EQUITIES, INC.                    | 4,944,500          |
| YAO & ZIALCITA, INC.                              | 780,000            |
| YU & COMPANY, INC.                                | 800,000            |
| BDO SECURITIES CORPORATION                        | 12,216,300         |
| EAGLE EQUITIES, INC.                              | 86,000             |
| GOLDEN TOWER SECURITIES & HOLDINGS, INC.          | 300,000            |
| SOLAR SECURITIES, INC.                            | 6,975,000          |
| G.D. TAN & COMPANY, INC.                          | 1,882,000          |
| UNICAPITAL SECURITIES INC.                        | 551,000            |
| TIMSON SECURITIES, INC.                           | 2,170,000          |
| CITIBANK N.A.                                     | 2,300,000          |
| <b>TOTAL</b>                                      | <b>340,813,156</b> |

If no written notice of any error or correction is received by PDTC within five (5) calendar days from receipt hereof, you shall be deemed to have accepted the accuracy and completeness of the details indicated in this report.

**EXHIBIT "I" to the Tender  
Offer Report**

**SUBSCRIPTION AGREEMENT** Subscription Agreement dated  
31 May 2017 between the  
Bidder and MED

KNOW ALL MEN BY THESE PRESENTS

This Subscription Agreement (hereinafter, the "Agreement") is made and entered into this 31<sup>st</sup> of May, 2017, at Makati City, Metro Manila, by and between:

**BONHAM STRAND INVESTMENTS LTD.**, a limited company duly organized and existing under the laws of the British Virgin Islands, with registered office at Akara Building, 24 De Castro Street, Wickhams Cay I, Road Town, Tortola, British Virgin Islands, and represented herein by Mr. Peter Tay Yew Beng, Director (hereinafter referred to as the "Subscriber");

-and-

**MEDCO HOLDINGS, INC.**, a corporation duly organized and existing under and by virtue of the laws of the Philippines, with its registered office at 31<sup>st</sup> Floor, Rufino Pacific Tower, 6784 Ayala Avenue, Makati City, Metro Manila, Philippines, and represented herein by Mr. Dionisio E. Carpio, Jr., President & Director (hereinafter referred to as "MED");

WITNESSETH: That –

**WHEREAS**, the Subscriber has receivables due from MED with an aggregate amount of ONE HUNDRED TEN MILLION FIFTY-EIGHT THOUSAND NINE HUNDRED SIXTY-TWO PESOS AND FIVE CENTAVOS (Php110,058,962.05) (the "Subject Receivables");

**WHEREAS**, MED shall decrease its authorized capital from Seven Hundred Million Pesos (Php700,000,000.00) divided into Seven Hundred Million (700,000,000) shares to Thirty-Five Million Pesos (Php35,000,000.00) divided into Seven Hundred Million (700,000,000) shares by reducing its par value from Php1.00 to Php0.05 per share ("Decrease in Authorized Capital Stock") subject to approval thereof by the Securities and Exchange Commission ("SEC");

**WHEREAS**, after the decrease in capital has been approved by the SEC, MED shall increase its authorized capital stock to Php470,000,000.00 divided into 9,400,000,000 common shares with a par value of Php0.05 per share subject to approval thereof by the SEC ("Increase in Authorized Capital Stock").

**WHEREAS**, subject to the terms and conditions stated herein, the Subscriber has agreed to subscribe to TWO BILLION TWO HUNDRED ONE MILLION ONE HUNDRED SEVENTY-NINE THOUSAND TWO HUNDRED FORTY-ONE (2,201,179,241) common shares of MED (the "Subscription Shares") out of the said Increase in Authorized Capital Stock.

**WHEREAS**, the Subscriber desires to pay for the subscription price of the Subscription Shares through the assignment, transfer and conveyance of the Subject Receivables, and MED is willing to accept the assignment, transfer and conveyance of the Subject Receivables and

apply the same in and as full and complete payment for the subscription price for the Subscription Shares;

**NOW THEREFORE**, for and in consideration of the foregoing premises and the terms and conditions set forth herein, the parties hereby agree as follows:

### **Section 1. Subscription**

1.1. The Subscriber hereby subscribes to a total of TWO BILLION TWO HUNDRED ONE MILLION ONE HUNDRED SEVENTY-NINE THOUSAND TWO HUNDRED FORTY-ONE (2,201,179,241) common shares out of the authorized capital stock of MED at a subscription price of ONE HUNDRED TEN MILLION FIFTY-EIGHT THOUSAND NINE HUNDRED SIXTY-TWO PESOS AND FIVE CENTAVOS (PHP110,058,962.05) (the "Subscription Price").

1.2. As full and complete payment for the Subscription Price, the Subscriber hereby assigns, transfers and conveys the Subject Receivables unto the MED.

1.3. MED hereby accepts the assignment, transfer and conveyance of the Subject Receivables and agrees to apply the same in full and complete payment of the Subscription Price.

### **Section 2. Taxes and Other Charges**

2.1. All taxes, fees and expenses that may be imposed on or incurred in connection with the assignment of the Subject Receivables contemplated herein shall be for the account of MED.

2.2. All taxes, costs and expenses related to the issuance of the Subscription Shares shall be for the sole account of MED.

### **Section 3. Supporting Documents and Additional Acts**

The parties hereby undertake to execute such other documents as are reasonable and necessary for the proper implementation of the Agreement as well as to secure any and all consents from third parties pertinent hereto.

### **Section 4. Representations and Warranties of the Parties**

a. The parties hereby represent and warrant to each other that:

(i) it has full power and authority to execute and deliver this Agreement, and has obtained all corporate actions, consents and approvals necessary for the execution, delivery and performance hereof; and

(ii) this Agreement is its legal, valid and binding obligation, enforceable against it in accordance with the terms hereof.

b. MED represents to Subscriber that, upon issuance, the Subscription Shares shall be:

(i) duly authorized and validly issued;

- (ii) fully paid and non-assessable;
- (iii) rank equally with the issued and outstanding common shares of MED;
- (iv) free from any security interest, pledge, mortgage, lien, option, charge, adverse claim, encumbrance, right to acquire, assignment by way of security, trust arrangement for the purpose of providing security or any other security interest of any kind, including arrangements, any rights exercisable by third parties (including any restriction on the use, voting, transfer, receipt or income or other exercise of any attributes of ownership) and any agreement to create any of the foregoing.

**Section 5. Issuance of Subscription Shares.** Upon full payment by Subscriber of the Subscription Price in accordance with this Agreement and upon approval by the SEC of the Increase in Authorized Capital Stock, MED shall, without need for any further notice or demand from Subscriber, issue the Subscription Shares and cause the recording thereof in its books.

**Section 6. Return of Subscription.** In the event that the Increase in Authorized Capital Stock is not approved by the SEC or MED is unable to issue the Subscription Shares to the Subscriber for any reason, MED shall return the Subscription Price that has been paid by the Subscriber to MED in full without any interest or penalty.

**Section 7. Amendments and Modifications.** The parties agree that this Agreement will not be subject to change or modification except by an instrument executed in writing by the parties.

**Section 8. No Waiver.** Unless otherwise stated in writing, no failure or delay on the part of any party in exercising any rights, powers or remedies under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other right, power or remedy thereunder.

**Section 9. Successors and Assigns.** The provisions of this Agreement shall be binding upon and accrue to the benefit of the parties and their respective successors and permitted assigns.

**Section 10. Governing Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the Republic of the Philippines. Any suit or proceeding brought in connection with the execution and performance of this Agreement shall be brought in the proper courts of the City of Makati.

**Section 11. Severability.** If any provision contained herein is invalid, illegal or unenforceable in any respect under any applicable law or decision, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired in any way. The parties shall so far as practicable execute such additional documents in order to give effect to any provision hereof which is determined to be invalid, illegal or unenforceable.

**Section 12. Counterparts.** This Deed may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same Deed that shall be binding on the parties.

**IN WITNESS WHEREOF,** the parties have signed these presents on the date and at the place first above written.

**BONHAM STRAND INVESTMENTS LTD.**  
(Subscriber)

**MEDCO HOLDINGS, INC.**  
(MED)

By:

By:

**PETER TAY YEW BENG**  
Director

  
**DIONISIO E. CARPIO, JR.**  
President & Director

SIGNED IN THE PRESENCE OF:

**ACKNOWLEDGEMENT**

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

BEFORE ME, a Notary Public for and in the above jurisdiction, this  
MAY 31 2017, personally appeared:

| Name                    | SSS ID No. |
|-------------------------|------------|
| Dionisio E. Carpio, Jr. |            |

known to me and to me known to be the same person who executed the foregoing instrument and he acknowledged to me that the same is his free and voluntary act and deed, including that of the corporation herein represented.

This instrument which consists of four (4) pages, including the page whereon this Acknowledgment is written, and which is signed by the parties and their instrumental witnesses on the signature page.

WITNESS MY HAND AND NOTARIAL SEAL on the date and place first above written.

Doc No. 12;  
Page No. 4;  
Book No. 111;  
Series of 2017

  
NOTARY PUBLIC

**DIANA WILLEN T. SY**  
Appointment No. M-175  
Notary Public for Makati City  
Until December 31, 2017  
Penthouse, Liberty Center  
104 H.V. dela Cruz Street, Makati City  
Roll of Attorneys No. 64293  
PTR No. S913731/Makati City / 01-04-2017  
IIRP No. 1855773/Quezon City / 01-04-2017

**NOTARIAL CERTIFICATE**

TO ALL TO WHOM THESE PRESENTS SHALL COME

I, **PETER SIM SWEE YAM**, Notary Public, duly authorised, appointed and practising in the Republic of Singapore do hereby **CERTIFY AND ATTEST** that the signature of **PETER TAY YEW BENG**, who has signed on behalf of **BONHAM STRAND INVESTMENTS LTD.**, appearing on the signature page of the hereunto annexed **SUBSCRIPTION AGREEMENT**, is the true signature of **PETER TAY YEW BENG** whose signature I have compared with his specimen signature in my possession.

**IN FAITH AND TESTIMONY**  
whereof, I have hereunto subscribed  
my name and affixed my Seal of  
Office this 31st day of May 2017.



**PETER SIM SWEE YAM**  
NOTARY PUBLIC  
SINGAPORE



## SUBSCRIPTION AGREEMENT

### KNOW ALL MEN BY THESE PRESENTS

This Subscription Agreement (hereinafter, the "Agreement") is made and entered into this 31<sup>st</sup> of May, 2017, in Singapore, by and between:

**BONHAM STRAND INVESTMENTS LTD.**, a limited company duly organized and existing under the laws of the British Virgin Islands, with registered office at Akara Building, 24 De Castro Street, Wickhams Cay I, Road Town, Tortola, British Virgin Islands, and represented herein by Mr. Peter Tay Yew Beng, Director (hereinafter referred to as the "Subscriber");

-and-

**MEDCO HOLDINGS, INC.**, a corporation duly organized and existing under and by virtue of the laws of the Philippines, with its registered office at 31st Floor, Rufino Pacific Tower, 6784 Ayala Avenue, Makati City, Metro Manila, Philippines, and represented herein by Mr. Dionisio E. Carpio, Jr., President & Director (hereinafter referred to as "MED");

WITNESSETH: That –

**WHEREAS**, the Subscriber has receivables due from MED with an aggregate amount of ONE HUNDRED TEN MILLION FIFTY-EIGHT THOUSAND NINE HUNDRED SIXTY-TWO PESOS AND FIVE CENTAVOS (Php110,058,962.05) (the "Subject Receivables");

**WHEREAS**, MED shall decrease its authorized capital from Seven Hundred Million Pesos (Php700,000,000.00) divided into Seven Hundred Million (700,000,000) shares to Thirty-Five Million Pesos (Php35,000,000.00) divided into Seven Hundred Million (700,000,000) shares by reducing its par value from Php1.00 to Php0.05 per share ("Decrease in Authorized Capital Stock") subject to approval thereof by the Securities and Exchange Commission ("SEC");

**WHEREAS**, after the decrease in capital has been approved by the SEC, MED shall increase its authorized capital stock to Php470,000,000.00 divided into 9,400,000,000 common shares with a par value of Php0.05 per share subject to approval thereof by the SEC ("Increase in Authorized Capital Stock").

**WHEREAS**, subject to the terms and conditions stated herein, the Subscriber has agreed to subscribe to TWO BILLION TWO HUNDRED ONE MILLION ONE HUNDRED SEVENTY-NINE THOUSAND TWO HUNDRED FORTY-ONE (2,201,179,241) common shares of MED (the "Subscription Shares") out of the said Increase in Authorized Capital Stock.

**WHEREAS**, the Subscriber desires to pay for the subscription price of the Subscription Shares through the assignment, transfer and conveyance of the Subject Receivables, and MED is willing to accept the assignment, transfer and conveyance of the Subject Receivables and apply the same in and as full and complete payment for the subscription price for the Subscription Shares;

**NOW THEREFORE**, for and in consideration of the foregoing premises and the terms and conditions set forth herein, the parties hereby agree as follows:

#### **Section 1. Subscription**

1.1. The Subscriber hereby subscribes to a total of TWO BILLION TWO HUNDRED ONE MILLION ONE HUNDRED SEVENTY-NINE THOUSAND TWO HUNDRED FORTY-ONE (2,201,179,241) common shares out of the authorized capital stock of MED at a subscription price of ONE HUNDRED TEN MILLION FIFTY-EIGHT THOUSAND NINE HUNDRED SIXTY-TWO PESOS AND FIVE CENTAVOS (PHP110,058,962.05) (the "Subscription Price").

1.2. As full and complete payment for the Subscription Price, the Subscriber hereby assigns, transfers and conveys the Subject Receivables unto the MED.

1.3. MED hereby accepts the assignment, transfer and conveyance of the Subject Receivables and agrees to apply the same in full and complete payment of the Subscription Price.

#### **Section 2. Taxes and Other Charges**

2.1. All taxes, fees and expenses that may be imposed on or incurred in connection with the assignment of the Subject Receivables contemplated herein shall be for the account of MED.

2.2. All taxes, costs and expenses related to the issuance of the Subscription Shares shall be for the sole account of MED.

#### **Section 3. Supporting Documents and Additional Acts**

The parties hereby undertake to execute such other documents as are reasonable and necessary for the proper implementation of the Agreement as well as to secure any and all consents from third parties pertinent hereto.

#### **Section 4. Representations and Warranties of the Parties**

a. The parties hereby represent and warrant to each other that:

(i) it has full power and authority to execute and deliver this Agreement, and has obtained all corporate actions, consents and approvals necessary for the execution, delivery and performance hereof; and

(ii) this Agreement is its legal, valid and binding obligation, enforceable against it in accordance with the terms hereof.

b. MED represents to Subscriber that, upon issuance, the Subscription Shares shall be:

- (i) duly authorized and validly issued;
- (ii) fully paid and non-assessable;
- (iii) rank equally with the issued and outstanding common shares of MED;
- (iv) free from any security interest, pledge, mortgage, lien, option, charge, adverse claim, encumbrance, right to acquire, assignment by way of security,

trust arrangement for the purpose of providing security or any other security interest of any kind, including arrangements, any rights exercisable by third parties (including any restriction on the use, voting, transfer, receipt or income or other exercise of any attributes of ownership) and any agreement to create any of the foregoing.

**Section 5. Issuance of Subscription Shares.** Upon full payment by Subscriber of the Subscription Price in accordance with this Agreement and upon approval by the SEC of the Increase in Authorized Capital Stock, MED shall, without need for any further notice or demand from Subscriber, issue the Subscription Shares and cause the recording thereof in its books.

**Section 6. Return of Subscription.** In the event that the Increase in Authorized Capital Stock is not approved by the SEC or MED is unable to issue the Subscription Shares to the Subscriber for any reason, MED shall return the Subscription Price that has been paid by the Subscriber to MED in full without any interest or penalty.

**Section 7. Amendments and Modifications.** The parties agree that this Agreement will not be subject to change or modification except by an instrument executed in writing by the parties.

**Section 8. No Waiver.** Unless otherwise stated in writing, no failure or delay on the part of any party in exercising any rights, powers or remedies under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other right, power or remedy thereunder.

**Section 9. Successors and Assigns.** The provisions of this Agreement shall be binding upon and accrue to the benefit of the parties and their respective successors and permitted assigns.

**Section 10. Governing Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the Republic of the Philippines. Any suit or proceeding brought in connection with the execution and performance of this Agreement shall be brought in the proper courts of the City of Makati.

**Section 11. Severability.** If any provision contained herein is invalid, illegal or unenforceable in any respect under any applicable law or decision, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired in any way. The parties shall so far as practicable execute such additional documents in order to give effect to any provision hereof which is determined to be invalid, illegal or unenforceable.

**Section 12. Counterparts.** This Deed may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same Deed that shall be binding on the parties.

**IN WITNESS WHEREOF,** the parties have signed these presents on the date and at the place first above written.

**BONHAM STRAND INVESTMENTS LTD.**  
(Subscriber)

**MEDCO HOLDINGS, INC.**  
(MED)

By:



**PETER TAY YEW BENG**  
Director

By:

**DIONISIO E. CARPIO, JR.**  
President & Director

SIGNED IN THE PRESENCE OF:

