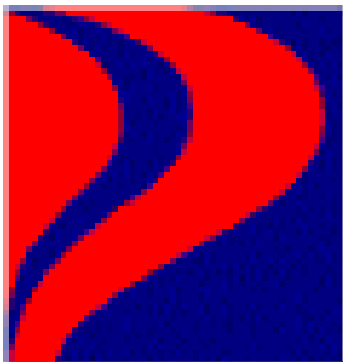


*The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for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



**PETRON**

**Petron Corporation  
PCOR**

**PSE Disclosure Form 4-29 - Disbursement of Proceeds and Progress Report**  
***References: Memorandum No. 626 - 2007 dated December 20, 2007***  
***Section 4.4 of the Revised Disclosure Rules***

Annual Report  
 Quarterly Report  
 Others -

**Subject of the Disclosure**

Quarterly Report on the Use of Proceeds

**Background/Description of the Disclosure**

Please see attached first Quarterly Progress Report for the period ended September 30, 2024 dated October 15, 2024 on the partial utilization of the proceeds from the offer and issuance of the Series 4D and Series 4E preferred shares of the Company, together with the external auditor's report dated October 15, 2024.

**Other Relevant Information**

-

**Filed on behalf by:**

<b>Name</b>	Jhoanna Jasmine Javier-Elacio
<b>Designation</b>	Vice President - General Counsel and Corporate Secretary/Compliance Officer

October 15, 2024



**PHILIPPINE STOCK EXCHANGE, INC.**

Disclosure Department  
6<sup>th</sup> Floor, PSE Tower  
5<sup>th</sup> Avenue corner 28<sup>th</sup> Street  
BGC, Taguig City

Attention : **Atty. Stefanie Ann B. Go**  
Officer-in-Charge, Disclosure Department

**SECURITIES AND EXCHANGE COMMISSION**

The SEC Headquarters  
7907 Makati Avenue  
Salcedo Village, Bel-air, Makati City

Attention : **Atty. Oliver O. Leonardo**  
Director, Markets & Securities Regulation Department

Re : **First Quarterly Progress Report - For the Period Ended September 30, 2024**

Gentlemen:

Please be advised that as of September 30, 2024, proceeds from the offering of Petron Preferred Shares Series 4D ("PRF4E") and Series 4E ("PRF4E") have been partially utilized, as follows:

Preferred Shares Series 4D and Series 4E Gross Proceeds	Php	16,830,000,000.00
Less: Filing Fees, Taxes, Professional Fees and Other Expenses		(6,491,412.00)
Net Proceeds	Php	16,823,508,588.00
Less: Purchase of crude oil		(2,450,000,000.00)
Balance	Php	14,373,508,588.00

Enclosed herewith is the certification of the external auditor on the use of proceeds.

Very truly yours,

**ALBERT S. SARTE**  
Deputy Chief Finance Officer  
and Treasurer

**MYRNA C. GERONIMO**  
Vice President and Controller



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**Agreed-Upon Procedures Report on the Use of Proceeds from the Issuance of P13 Billion Preferred Shares Series 4 With Oversubscription Option of up to P4 Billion Series 4 Preferred Shares (the "Offering")**

The Board of Directors and Stockholders  
**PETRON CORPORATION**  
SMC Head Office Complex  
40 San Miguel Avenue  
Mandaluyong City

**Purpose of this Agreed-Upon Procedures Report**

Our report is solely for the purpose of assisting Petron Corporation (the "Company") in complying with the requirement of The Philippine Stock Exchange (PSE) to submit an external auditor's report of findings on the accuracy of the information being represented by the Company relating to the use of proceeds from the Offering as of and for the quarter ended September 30, 2024.

**Responsibilities of the Engaging Party and the Responsible Party**

The Company has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

The Company is responsible for the subject matter on which the agreed-upon procedures are performed.

Firm Regulatory Registration & Accreditation:  
PRC-BOA Registration No. 0003, valid until September 20, 2026  
IC Accreditation No. 0003-IC, Group A, valid for five (5) years covering the audit of 2020 to 2024  
financial statements (2019 financial statements are covered by IC Circular Letter (CL) No. 2019-39, Transition clause)  
BSP Accreditation No. 0003-BSP, Group A, valid for five (5) years covering the audit of 2020 to 2024  
financial statements (2019 financial statements are covered by BSP Monetary Board Resolution No. 2161, Transition clause)

R.G. Manabat & Co., a Philippine partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.



## **Practitioner's Responsibilities**

We have conducted the agreed-upon procedures engagement in accordance with the Philippine Standard on Related Services (PSRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed upon procedures. This agreed-upon procedures engagement is not an assurance engagement.

Accordingly, we do not express an opinion or an assurance conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

## **Professional Ethics and Quality Control**

We have complied with the ethical requirements in the Code of Ethics for Professional Accountants in the Philippines.

Our firm applies Philippine Standard on Quality Management (PSQM) 1, *Quality Management for Firms that Perform Audits and Reviews of Financial Statements, or Other Assurance and Related Services Engagements*, and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## **Procedures and Findings**

We have performed the procedures described below, which were agreed upon with the Company, on the use of proceeds from the Offering.

The results of agreed-upon procedures performed are summarized as follows:

1. We have obtained and checked the mathematical accuracy of the Company's First Quarterly Progress Report for the quarter ended September 30, 2024. No exceptions noted.
2. We have compared the list of all the disbursement in the Progress Report with the schedule of planned use of proceeds from the Offering as indicated in the Final Offer Supplement dated September 3, 2024 ("Offer Supplement") and agreed amounts to the related supporting documents such as billing or service invoices, official receipts, acknowledgment receipts, payment slip and bank statement. No exceptions noted.

As presented by the Company and based on the above procedures, the table below lists the details and amount of disbursements of the proceeds of the Offering for the quarter ended September 30, 2024:

Purpose	Disbursements		Difference	Remarks
	Allocations per Offer Supplement	Amounts per Progress Report		
Underwriting and selling fees, filing fees, taxes, legal and professional fees and other expenses	P92,470,000	P6,491,412	P85,978,588	a
Funding general corporate business, including purchase of oil	2,629,530,000	2,450,000,000	179,530,000	b
<b>Total</b>	<b>P2,722,000,000</b>	<b>P2,456,491,412</b>	<b>P265,508,588</b>	

a. Refers to the undisbursed amount as of September 30, 2024.

b. Refers to the undisbursed amount of P9,530,000 as of September 30, 2024 and noted difference between the expected gross proceeds per Offer Supplement (P17 billion) and actual gross proceeds received (P16.83 billion) amounting to P170,000,000. The full amount of the Oversubscription Option of P4 billion was not reached. As stated in the Offer Supplement, in the event of a partial exercise of the Oversubscription Option, the Company intends to prioritize the allocation of proceeds to the refinancing of existing indebtedness over the purchase of crude oil.

The table below shows the amount of disbursement per Progress Report and the actual disbursements showing the balance of proceeds as of and for the quarter ended September 30, 2024:

Purpose	Amount of Disbursement per Progress Report	Actual Disbursements	Balance as of September 30, 2024
Filing fees, taxes, professional fees and other expenses	P6,491,412	(P6,491,412)	P -
Funding general corporate business, including purchase of oil	2,450,000,000	(2,450,000,000)	-
<b>Total</b>	<b>P2,456,491,382</b>	<b>(P2,456,491,382)</b>	<b>P -</b>

3. The table below shows the remaining balance of the net proceeds as of September 30, 2024:

	Amount
Actual gross proceeds received	P16,830,000,000
Filing fees, taxes, professional fees and other expenses	(6,491,412)
Funding general corporate business, including purchase of oil	(2,450,000,000)
<b>Total</b>	<b>P14,373,508,588</b>



Out of the remaining balance, P14,200,000,000 was invested in short-term liquid investments, specifically time deposits, as of September 30, 2024, and traced and agreed amounts to the related supporting documents such as letter of instructions and email confirmation from banks. The remaining amount of P173,508,588 was traced to the Company's bank account as of September 30, 2024. No exceptions noted.

4. We have obtained written management representation and confirmed that there were no reallocations made on the Company's planned use of proceeds from the Offering or any changes in the work program as disclosed in the Offer Supplement.

**R.G. MANABAT & CO.**

  
MARIA ARLEENE C. YU  
Partner  
CPA License No. 0108855

October 15, 2024  
Makati City, Metro Manila