



OFFER FOR SUBSCRIPTION OF Series 4A, Series 4B and Series 4C Preferred Shares

Underwriter's Control #	
1 st Copy	Stock Transfer Agent
2 nd Copy	Issuer
3 rd Copy	Underwriter
4 th Copy	Applicant

Offer Price of ₱1,000.00 per share
Par Value of ₱1.00
Dividend Rate of 6.7079% p.a. for Series 4A
Dividend Rate of 6.7972% p.a. for Series 4B
Dividend Rate of 7.0861% p.a. for Series 4C

This is an application (the "Application") to purchase/subscribe for the cumulative, deferrable, non-voting, non-participating, non-convertible, redeemable, re-issuable Philippine Peso-denominated Perpetual Preferred Shares (the "Preferred Shares" or "Offer Shares") of Petron Corporation ("Petron" or the "Company"). The Offer Shares will be issued in three (3) series – Series 4A Preferred Shares, Series 4B Preferred Shares and Series 4C Preferred Shares. Capitalized terms used herein, unless otherwise defined, shall have the meanings ascribed to them in the Final Prospectus dated June 13, 2023 (the "Prospectus"), Final Offer Supplement dated June 13, 2023 (the "Offer Supplement"), and issued by the Company in connection with the offer of Offer Shares.

Duly completed Applications, together with full payment and all required attachments listed on this form, must be received not later than 12:00 noon, Manila Time on June 27, 2023 by the designated representative(s) of SMC Stock Transfer Service Corporation (the "Receiving Agent"), China Bank Capital Corporation, Bank of Commerce, Philippine Commercial Capital, Inc., PNB Capital and Investment Corporation, and SB Capital Investment Corporation (each a "Joint Lead Underwriter and Joint Bookrunner") (the Joint Lead Underwriters and Joint Bookrunners are hereafter referred to collectively as "Underwriters" and individually as the "Underwriter") and the selling agents ("Selling Agents"). Applications received thereafter, improperly or incompletely accomplished or without the required documents and/or full payments will be rejected. The Company, in consultation with Joint Lead Underwriters and Joint Bookrunners reserves the right to accept or reject, in whole or in part, any Application and, in case of oversubscription, the Underwriters shall, in consultation with the Issuer, allocate the Offer Shares available to the Applicants in a manner they deem appropriate. This Application is irrevocable and, once duly accomplished and submitted, may not be withdrawn by the Applicant. This Application shall be subject to the terms and conditions of the Offer as stated in the Prospectus, the Offer Supplement and in this Application. Applicants are advised to read the Prospectus and Offer Supplement before subscribing to the Offer Shares. Copies of the Prospectus and Offer Supplement are available through the Underwriters and Selling Agents, throughout the Offer Period during business hours. Applicants may also obtain copies of the Prospectus and Offer Supplement from <https://www.petron.com/investor-relations/filings-with-securities-and-exchange-commission/>.

This Application, once accepted by the Underwriters or Selling Agent, shall constitute the duly executed purchase agreement covering the amount of the Offer Shares so accepted and shall be valid and binding on the Issuer and the Applicant. Once accepted, an Application may not be unilaterally revoked or canceled by the Applicant, in full or in part, and the rights and privileges pertaining thereto shall be non-transferrable.

Name of Applicant: (Last, First, M.I / Business Name)*	Type of Investor: <input type="checkbox"/> Individual <input type="checkbox"/> Corporate															
I/ We (the "Applicant") hereby irrevocably apply to subscribe to the following number of Offer Shares, subject to the terms and conditions set out in the Prospectus and in the Offer Supplement.																
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; width: 15%;">Series</th> <th style="text-align: left; width: 45%;">Amount of Offer Shares Applied For (₱)</th> <th style="text-align: left; width: 40%;">Number of Offer Shares</th> </tr> </thead> <tbody> <tr> <td><input type="checkbox"/> Series 4A</td> <td>_____</td> <td>_____</td> </tr> <tr> <td><input type="checkbox"/> Series 4B</td> <td>_____</td> <td>_____</td> </tr> <tr> <td><input type="checkbox"/> Series 4C</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>TOTAL:</td> <td>_____</td> <td>_____</td> </tr> </tbody> </table>	Series	Amount of Offer Shares Applied For (₱)	Number of Offer Shares	<input type="checkbox"/> Series 4A	_____	_____	<input type="checkbox"/> Series 4B	_____	_____	<input type="checkbox"/> Series 4C	_____	_____	TOTAL:	_____	_____	
Series	Amount of Offer Shares Applied For (₱)	Number of Offer Shares														
<input type="checkbox"/> Series 4A	_____	_____														
<input type="checkbox"/> Series 4B	_____	_____														
<input type="checkbox"/> Series 4C	_____	_____														
TOTAL:	_____	_____														

The number of Offer Shares applied for must be a minimum of fifty (50) Offer Shares, and thereafter, in multiples of ten (10) Offer Shares. Notwithstanding the acceptance of any Application, the actual subscription by the Applicant for the Offer Shares will become effective only upon listing of the Offer Shares on the PSE and upon the obligations of the Joint Lead Underwriters and Joint Bookrunners under the Underwriting Agreement becoming unconditional and not being suspended, terminated or cancelled, on or before the Listing Date, in accordance with the provision of the said agreement.

PDTC LODGEMENT

All Offer Shares shall be lodged with the Philippine Depository & Trust Corp. ("PDTC"). The Applicant must provide the information required for PDTC-lodged shares. The Offer Shares will be lodged by the Company with the PDTC not later than the Listing Date.

THE APPLICANT IS REQUIRED TO FILL OUT AND COMPLETE THE INFORMATION BELOW. THE APPLICANT'S FAILURE TO DO SO OR THE PROVISION OF INCOMPLETE OR FALSE INFORMATION AS REQUIRED HEREIN, MAY LEAD TO THE REJECTION OF THIS APPLICATION. THE COMPANY, IN CONSULTATION WITH THE JOINT LEAD UNDERWRITERS AND JOINT BOOKRUNNERS, RESERVES THE RIGHT TO REJECT IN WHOLE OR IN PART OR SCALE-DOWN ANY APPLICATION TO SUBSCRIBE TO THE OFFER SHARES.

Information required for PDTC-lodged Offer Shares (to be completed with assistance of the PDTC Participant appointed by the Applicant)	We confirm that we are a PDTC Participant and that the Applicant named in this Application is our <i>bona fide</i> client and we have done the necessary "know your customer" procedures to verify the identity of our client.
_____ PDTC Participant Firm PDTC Participant Code Sub Account Code	_____ Authorized Signature(s) and Stamp of PDTC Participant

Mode of Payment for the Offer Shares:
I/We hereby pay for my/our purchase of the Offer Shares as indicated below:

<input type="checkbox"/> Real Time Gross Settlement We have caused the crediting of the Total Amount of Offer Shares Applied For (as stated above) in cleared funds, covering full payment for the Offer Shares covered by this Application, to the deposit account of an Underwriter or a Selling Agent (as identified in the relevant instruction), for the benefit of the Company.	<input type="checkbox"/> Bank Check Payment Attached herewith is a check for the Total Amount of Offer Shares Applied For (as stated above) in cleared funds, covering full payment for the Offer Shares covered by this Application, with details as follows. Drawee Bank: _____ Check No: _____	<input type="checkbox"/> Direct Debit Account Settlement I/We have authorized the debiting of my/our account with the bank named below, with the corresponding account number, for the Total Amount of Offer Shares Applied For (as stated above) in cleared funds covering full payment for the Offer Shares covered by this Application, and the crediting of said amount to the deposit account of an Underwriter or a Selling Agent (as identified in the relevant instruction), for the benefit of the Company. Debit Peso Current/Savings Account Number: _____ with _____ _____ bank, _____ branch
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Permanent Address:*	Present Mailing Address (if different from Permanent Address)*:
Telephone Number/s:	Email Address (Please fill-in only if you specifically consent to e-mail communications. Provisions on Communications under the Application and in the Terms & Conditions will apply)***:
Fax Number/s:	

Primary Contact Person (if other than Applicant):	Relationship of Primary Contact Person to Applicant:
Date of Birth / Incorporation (mm/dd/yyyy):* (If joint account, please indicate the birthdates of both account holders)	Place of Birth / Incorporation: *
Nationality: *	Tax Identification Number: *
Nature of Work or Business: *	Name of Employer / Business: *
Sources of Income: * <input type="checkbox"/> Employment <input type="checkbox"/> Business Income <input type="checkbox"/> Pension / Retirement Proceeds <input type="checkbox"/> Investments / Dividend Income <input type="checkbox"/> Other Sources: _____	
Tax Status: <input type="checkbox"/> Individual <input type="checkbox"/> Foreign investor** <input type="checkbox"/> Domestic Corporate <input type="checkbox"/> Others: _____ <input type="checkbox"/> Tax Exempt** Corporate	Statement, Notices & Correspondence Delivery Mode: <input type="checkbox"/> Delivery via electronic mail to email address indicated above <input type="checkbox"/> Delivery via courier (Metro Manila area only) or registered mail to mailing address indicated above

If a Corporation, please fill up Additional Required Information: (Please use additional sheets if necessary)

Name of Parent Company, if any:

Names of Directors:*

Name of Stockholders Owning at Least 2% of the Authorized Capital Stock:*

Name of Beneficial Owners of Applicant, if any:*

Address of Beneficial Owner:

* Required to be filled up under Republic Act No. 9160, Republic Act No. 9194 and BSP Circular Nos. 251, 253 and 279, and all other amendatory and implementing law, regulation, jurisprudence, notice or order of any Philippine governmental body relating thereto.

** If Tax Exempt Corporate or a Foreign Investor availing itself of exemption or preferential tax rate, Applicant must submit documentary proof of exemption or reduced taxation, as applicable.

*** **IMPORTANT:** Communications (E-mail Indemnity): By indicating the e-mail address, I/we consent to receive all notices and communications via e-mail, and such consent shall operate as a waiver of my/our right and privilege to the secrecy of bank deposits in respect of such statements or notices. I/We acknowledge that security of any statement, notice or communication sent through electronic means is not guaranteed and I/we assume all risks in relation to its transmission. I/We are responsible for keeping such email access active and existing during the term of the Offer Shares, otherwise, I/we shall be liable for any fees or charges that may be imposed or incurred in transmitting or re-transmitting such communication via electronic means.

REQUIRED ATTACHMENTS TO THIS APPLICATION

IF THE APPLICANT IS A CORPORATION, PARTNERSHIP OR TRUST ACCOUNT:

- (a) A certified true copy of the Applicant's latest articles of incorporation and by-laws, general information sheet or equivalent constitutive documents, each as amended to date, duly certified by the corporate secretary or assistant corporate secretary (or equivalent officer);
- (b) A certified true copy of the Applicant's SEC certificate of registration, duly certified by the corporate secretary (or equivalent officer);
- (c) A duly notarized corporate secretary's certificate setting forth the resolution of the Applicant's board of directors or equivalent body authorizing (i) the purchase of the Offer Shares indicated in the Application and (ii) the designated signatories authorized for the purpose, including their respective specimen signatures;
- (d) Two (2) properly filled-out specimen signature cards, each bearing the wet ink specimen signatures of the Applicant's authorized signatories, validated by its corporate secretary or by an equivalent officer/s who is/are authorized signatory/ies;
- (e) Philippine tax identification number (TIN) validly issued by the BIR;
- (f) Copies of valid identification document(s) of the authorized signatories of the Applicant, as specified below; and
- (g) Such other documents as may be reasonably required by an Underwriter or a Selling Agent in implementation of its internal policies regarding "knowing your customer" and anti-money laundering.

IF THE APPLICANT IS AN INDIVIDUAL/NATURAL PERSON:

- (a) Copies of valid identification documents of the Applicant;
- (b) Two (2) duly accomplished signature cards containing the specimen signature of the Applicant, validated/signed by the Underwriters' or any Selling Agent's authorized signatory/ies, whose authority/ies and specimen signatures have been submitted to SMC Stock Transfer Service Corporation (the "Stock Transfer Agent" and "Paying Agent" and "Receiving Agent");
- (c) Philippine tax identification number (TIN) validly issued by the BIR;
- (d) Copies of valid identification document(s) of the authorized signatories of the Applicant, as specified below; and
- (a) Such other documents as may be reasonably required by an Underwriter or a Selling Agent in implementation of its internal policies regarding "knowing your customer" and anti-money laundering.

VALID IDENTIFICATION DOCUMENTS SHALL CONSIST OF:

Any one (1) of the following unexpired identification documents bearing the Applicant's signature and recent photo: Passport, Driver's License, Government Service Insurance System (GSIS) e-Card, Social Security System (SSS) Card, Senior Citizen Card, Company IDs issued by private entities or institutions registered with or supervised or regulated either by the BSP, SEC or Insurance Commission, such other ID and documents as may be required in relevant documents or acceptable to the Issuer.

Applicants claiming exemption or preferential rate from any applicable tax shall also be required to submit the following documentary proof of its tax-exempt or preferential status together with this Application, subject to acceptance by the Company as being sufficient in form and substance:

- (i) in the case of tax exemption, a certified true copy of the original tax exemption certificate, ruling or opinion on tax exemption issued by the BIR addressed to the Applicant as certified by its duly authorized officer;
- (ii) - with respect to reduced tax rates if tax sparing applies, (a) original copy of apostilled/duly authenticated tax residency certificate issued by the tax authority of the country of domicile of the non-resident corporate taxpayer; (b) original apostilled/duly authenticated copy of the non-resident foreign corporation's articles of incorporation or proof of establishment in its country of residence; and (c) original copy of apostilled/duly authenticated special power of attorney issued by the non-resident foreign corporation to its authorized representative; or (d) proof of filing of an application for ruling with the BIR; and

- with respect to tax treaty relief, (a) Tax Residency Certificate for the period when the treaty rate is claimed, duly issued by the tax authority of the foreign country in which the income recipient is a resident; (b) bank documents/certificate of deposit/telegraphic transfer/telex/money transfer evidencing payment/remittance of income; (c) notarized special power of attorney issued by the nonresident taxpayer to his/her authorized representative(s), which shall expressly state the authority to sign the Application Form as well as to file the tax treaty relief or request for confirmation; (c) when applicable, proof that shareholding in respect of which dividends are paid is not effectively connected with a permanent establishment of the foreign enterprise in the Philippines;
- (iii) an original of the duly notarized undertaking, in the prescribed form, declaring and warranting its tax exempt status, undertaking to immediately notify the Company and the Registrar and Depository Agent of any suspension or revocation of its tax exempt status and agreeing to indemnify and hold the Company, the Registrar and Depository Agent and the Paying Agent free and harmless against any claims, actions, suits, and liabilities resulting from the non-withholding or reduced withholding of the required tax; and
- (iv) such other documentary requirements as may be required under the applicable regulations of the relevant taxing or other authorities.

Unless properly provided with satisfactory proof of the tax-exempt status of an Applicant or shareholder, the Stock Transfer Agent and Paying Agent may assume that said Applicant or shareholder is taxable and proceed to apply the tax due on the Offer Shares. Notwithstanding the submission by the Applicant or shareholder, or the receipt by the Company or any of its agents, of documentary proof of the tax-exempt status of a shareholder, the Company may, in its sole and reasonable discretion, determine that such Applicant or shareholder is taxable and require the Stock Transfer Agent and Paying Agent to proceed to apply the tax due on the Offer Shares. Any question on such determination shall be referred to the Company.

REPRESENTATIONS, WARRANTIES, CONSENT, AND AUTHORIZATION

In executing this Application, the Applicant represents and warrants, that all information contained herein (including its tax status) and the required 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. The Applicant agrees to immediately notify the Company and the Stock Transfer Agent, either directly or through an Underwriter, or a Selling Agent, if anything occurs which renders or may render untrue or incorrect in any respect any of the information given herein (including information given with respect to the Applicant's tax status) or any of its representations or warranties. The Applicant understands that the Underwriters, the Selling Agents, the Stock Transfer Agent, the Paying Agent, and the Company will rely on the Applicant's representations and warranties set forth herein including, without limit, its declaration of its tax status and if applicable, its tax-exempt status, in processing payments due to it under the Offer Shares. The Applicant agrees to indemnify and hold the Underwriters, the Selling Agents, the Stock Transfer Agent, the Paying Agent and the Company free and harmless against any and all claims, actions, suits, damages, and liabilities including those resulting from the non-withholding of the required tax due to the representations as indicated in this Application to Purchase, any misrepresentation contained herein or any reliance on the confirmations contained herein.

The Applicant likewise authorizes the Stock Transfer Agent and the Paying Agent to verify the information stated in this Application from any and all sources and in any and all manner, including but not limited to, requesting information contained herein from an Underwriter, or a Selling Agent regarding the Applicant's account/s with the said Underwriter or Selling Agent, provided that any such verification shall not be in violation of any temporary restraining order currently in effect on the application of BIR Revenue Regulations No. 1-2014, BIR Revenue Memorandum Circular No. 5-2014 and SEC Memorandum Circular No. 10, series of 2014. The Applicant warrants that the Applicant (or its authorized signatory) has read and understood the Terms and Conditions and the terms and conditions stated in this Application to Purchase as well as the Rules and Procedures of the Stock Transfer Agent and unconditionally accepts the same. The Applicant further agrees that completion of this Application to Purchase constitutes an instruction and authority from the Applicant to the Company and/or the Underwriters, or the Selling Agents to execute any application form or other documents and generally to do all such other things and acts as the Company, the Underwriters, or Selling Agents may consider necessary or desirable to effect registration of the Offer Shares in the name of the Applicant.

In signing this Application, the Applicant hereby consents to the Company, the Underwriters, the Stock Transfer Agent, the Paying Agent and their respective duly authorized agents and representatives and service providers and any of their respective related, associated or affiliated companies (singly or collectively, the "Recipient") to collect, process, retain, share, dispose and destroy information that are required to enable the Recipient to carry out their duties in connection with the Offer or the Offer Shares or under the relevant agreements, and information contained herein or supplied by the Applicant to the Recipient, which information shall include personal, sensitive personal, or privileged information of such Applicant (collectively, the "Information"), in accordance with the Data Privacy Act of 2012 and its Implementing Rules and Regulations ("DPA IRR").

In addition, by signing this application, the Applicant hereby consents to the disclosure by the Recipient of the Information to: (1) government or regulatory agencies (a) if required by applicable law or by an order of government or regulatory agency, or (b) if reasonably determined by the Recipient to be necessary in connection with the provision of any service related to the Offer, the Offer Shares (including the Applicant's registry account) or under the relevant agreements, or for data processing, storage, retention, collection, sharing, disposal and destruction, or for anti-money laundering monitoring, review and reporting, or for purposes of complying with any law or regulation (singly or collectively, the "Purpose"), or (c) for law enforcement purposes, national security or public interest; and (2) its employees, directors, officers, representatives, agents and service providers if the Recipient deems it reasonably necessary in relation to the Purpose. The Applicant acknowledges that he has rights and remedies relating to the processing of the Information under the Data Privacy Act of 2012, the DPA IRR and under applicable laws, such as, but not limited to the right to access the Information in accordance with the procedures of the Recipient, to have it corrected in accordance with the procedures of the Recipient and to file a complaint with the appropriate government agency. Please refer to the National Privacy Commission for details of such rights and remedies. The Applicant may address any concerns or questions regarding the processing of the Information to the Company's Data Protection Officer: Contact Details: dataprotectionofficer@petron.com / (+632) 8884 9200.

The Applicant represents and warrants to the Issuer, the Underwriters, the Selling Agents, the Stock Transfer Agent, the Paying Agent that it has read and understood the terms and conditions of this Application and the Offer, and agrees to be bound by them, and that it has independently and, without reliance on the Issuer, the Underwriters and/or the Selling Agents, made its own credit investigation and appraisal of the financial position and affairs of the Issuer on the basis of such documents and information it has deemed appropriate and that it has subscribed to the Offer Shares on the basis of such independent appraisal, and that it shall continue to make its own credit appraisal without reliance on the Issuer, the Underwriters, the Selling Agents, the Stock Transfer Agent, and the Paying Agent.

APPLICANT'S FULL NAME (IN PRINT):	APPLICANT'S AUTHORIZED SIGNATURE/S :
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ACKNOWLEDGEMENT AND ACCEPTANCE

(Applicants should not fill in this section.)

To be completed by an Underwriter, or Selling Agent	To be completed by the Stock Transfer Agent and on behalf of the Company
Application received:	Application accepted and approved by: Total Number of Offer Shares Accepted: _____
By: _____ Date/Time: _____	By: _____ Date: _____

TERMS AND CONDITIONS OF THE OFFER AND CERTAIN RELEVANT INFORMATION CONCERNING THE OFFER OF THE OFFER SHARES

Unless otherwise expressly stated or the context requires otherwise, all terms used herein shall have the meanings ascribed to them in the Prospectus and the Offer Supplement. The information set forth below is an incomplete summary of certain terms of the Offer and the Offer Shares and are qualified by such terms and conditions found in the Prospectus and Offer Supplement in every respect. Applicants wishing to purchase the Offer Shares should read the Prospectus and Offer Supplement, and the terms and conditions described therein and this Application to Purchase. No person has been authorized to give any information or to make any representations other than those contained in the Prospectus and Offer Supplement and, if given or made, such information or representations must not be relied upon as having been authorized by the Company or the Underwriters.

Offer	The Offer relates to the offer and sale of 12,500,000 Preferred Shares to be issued in three (3) subseries: Series 4A Preferred Shares, Series 4B Preferred Shares and Series 4C Preferred Shares (the "Firm Shares") with an over-allotment option of up to 10,000,000 Preferred Shares (the "Optional Shares", together with the Firm Shares, the "Offer Shares") at an offer price of ₱1,000.00 per share (the "Offer Price").
Oversubscription Option	The Issuer has granted the Joint Lead Underwriters and Joint Bookrunners, in consultation with the Issuer, the right (but not the obligation) to increase the size of the Offer by up to 10,000,000 Preferred Shares on the same terms and conditions as of the Firm Shares. Once exercised, the Joint Lead Underwriters and Joint Bookrunners, in consultation with the Issuer, shall allocate the oversubscription shares to the relevant subseries of the Series 4 Preferred Shares, subject to the applicable requirements of the SEC.
Offer Period	The Offer Period shall commence at 9:00 a.m. on June 15, 2023 and end at 12:00 noon on June 27, 2023. The Issuer and the Joint Lead Underwriters and Joint Bookrunners reserve the right to extend or terminate the Offer Period with the approval of the SEC and the PSE, as applicable.
Dividend Rate	As and if cash dividends are declared by the Board of Directors, cash dividends on the Preferred Shares shall be at the fixed rate of: <ul style="list-style-type: none"> Series 4A Preferred Shares: 6.7079% per annum; Series 4B Preferred Shares: 6.7972% per annum; and Series 4C Preferred Shares: 7.0861% per annum; in all cases calculated for each share by reference to the Offer Price thereof in respect of each Dividend Period (each, the "Initial Dividend Rate" for the relevant series). Dividend Rate means (a) from the Listing Date up to the Step Up Date, the Initial Dividend Rate, and (b) from the Step Up Date, until the date the Preferred Shares are redeemed, the higher of the Initial Dividend Rate and the Step Up Rate. (Please see below relevant definitions.)
Dividend Payment Dates	Cash Dividends will be payable starting October 7, 2023, and every January 7, April 7, July 7, and October 7 of each year, each a "Dividend Payment Date", being the last day of each 3-month period (a "Dividend Period") following the relevant Listing Date, as and if declared by the Board of Directors in accordance with the terms and conditions of the Series 4 Preferred Shares.

	<p>The dividends on the Preferred Shares will be calculated on a 30/360-day basis.</p> <p>If the Dividend Payment Date is not a Business Day, dividends will be paid on the next succeeding Business Day, without adjustment as to the amount of dividends to be paid.</p>
<p>Conditions on Declaration and Payment of Cash Dividends</p>	<p>The declaration and payment of cash dividends for each Dividend Period will be subject to the sole and absolute discretion of the Board of Directors of the Issuer, to the extent permitted by applicable laws and regulations, and the covenants (financial or otherwise) in the agreements to which the Issuer is a party.</p> <p>The Board of Directors will not declare and pay dividends for any Dividend Period where payment of such dividends would cause the Issuer to breach any of its covenants (financial or otherwise).</p> <p>If in the opinion of the Board of Directors, the Company will not be in a position to pay in full the dividends on the Series 4 Preferred Shares and the dividends or distributions on any Parity Securities falling due within a six (6)-month period from any Dividend Payment Date, after paying in full an amount equal to all dividends or distributions scheduled to be paid on or before that dividend or distribution payment date on any securities with a right to dividends or distributions ranking in priority to that of the Series 4 Preferred Shares, the Company shall either (a) not declare the dividends on the Series 4 Preferred Shares and defer the payment of such dividends or distributions on any Parity Securities, or (b) pay such dividends on the Series 4 Preferred Shares and the dividends or distributions on any Parity Securities pro rata to the amount of the dividends or distributions scheduled to be paid to them within the said period. The amount scheduled to be paid will include the amount of any dividend or distribution due and payable within the said period and any arrears on past cumulative dividends or any deferred distributions.</p>
<p>Optional Redemption and Purchase</p>	<p>As and if approved by the Board of Directors (or the Executive Committee), the Company may redeem in whole (but not in part), any subseries of the Preferred Shares as follows:</p> <ol style="list-style-type: none"> a. in respect of Series 4A Preferred Shares, two (2) years and six (6) months after Listing Date (the "Series 4A First Optional Redemption Date") or on any Dividend Payment Date thereafter (each of the Series 4A First Optional Redemption Date and the Dividend Payment Dates thereafter, a "Series 4A Optional Redemption Date"); b. in respect of Series 4B Preferred Shares, three (3) years after the Listing Date (the "Series 4B First Optional Redemption Date") or on any Dividend Payment Date thereafter (each of the Series 4B First Optional Redemption Date and the Dividend Payment Dates thereafter, a "Series 4B Optional Redemption Date"); and c. in respect of Series 4C Preferred Shares, five (5) years after the Listing Date (the "Series 4C First Optional Redemption Date") or on any Dividend Payment Date thereafter (each of the Series 4C First Optional Redemption Date and the Dividend Payment Dates thereafter, a "Series 4C Optional Redemption Date") <p>(each Series 4A Optional Redemption Date, Series 4B Optional Redemption Date, and Series 4C Optional Redemption Date, an "Optional Redemption Date"),</p> <p>after giving not less than 30 nor more than 60 days written notice prior to the intended date of redemption, at a redemption price equal to the Offer Price of the Series 4 Preferred Shares plus all dividends due them on the actual date of redemption as well as all accumulated dividends due and payable, or Arrears of Dividends after deduction of transfer costs customarily chargeable to stockholders, as applicable, to effect the redemption (the "Redemption Price"). Such notice to redeem shall be deemed irrevocable upon issuance thereof.</p> <p>For the avoidance of doubt, on the applicable Optional Redemption Date, the Issuer has the option to redeem, in whole but not in part, any, some, or all of the subseries.</p> <p>In the event an Optional Redemption Date which the Issuer has chosen as the date to redeem any, some, or all of the subseries falls on a day that is not a Business Day, the redemption shall be made on the next succeeding day that is a Business Day, without adjustment as to the Redemption Price and the amount of dividends to be paid.</p> <p>The Issuer shall likewise have the option to redeem, in whole but not in part, any, some, or all of the subseries (a) in the event payments in respect of the Series 4 Preferred Shares become subject to additional withholding or any new tax as a result of certain changes in law, rule or regulation, or in the interpretation thereof, and such tax cannot be avoided by use of reasonable measures available to the Issuer; or (b) in the event an opinion of a recognized accountancy firm authorized to perform auditing services in the Republic of the Philippines has been delivered to the Issuer stating that the Series 4 Preferred Shares may no longer be recorded as equity in the audited consolidated financial statements of the Issuer prepared in accordance with Philippine Financial Reporting Standards ("PFRS"), or such other accounting standards which succeed PFRS as adopted by the Issuer for the preparation of its audited consolidated financial statements for the relevant financial year, and such event cannot be avoided by use of reasonable measures available to the Issuer.</p> <p>Upon listing on the PSE, the Company reserves the right to purchase the Series 4 Preferred Shares at any time in the open market or by public tender or by private contract at any price through the PSE without any obligation to purchase or redeem the other Series 4 Preferred Shares. The Series 4 Preferred Shares so purchased may either be redeemed (pursuant to their terms and conditions as set out in the Offer Supplement) and cancelled or kept as treasury shares, as applicable.</p> <p>The other redemption events are indicated in the Prospectus.</p>
<p>Step-Up Dividend Rate</p>	<p>Unless the Series 4 Preferred Shares shall have been redeemed by the Company as follows:</p> <ol style="list-style-type: none"> a. in respect of Series 4A Preferred Shares, on the 4th anniversary of the Listing Date (the "Series 4A Step-Up Date"); b. in respect of Series 4B Preferred Shares, on the 5th anniversary of the Listing Date (the "Series 4B Step-Up Date"); and c. in respect of Series 4C Preferred Shares, on the 7th anniversary of the Listing Date (the "Series 4C Step-Up Date") <p>(each, referred to as a "Step-Up Date"), the Initial Dividend Rate shall be adjusted as follows:</p> <ol style="list-style-type: none"> i. for Series 4A Preferred Shares, the higher of the (a) applicable Initial Dividend Rate; or (b) the simple average of the closing per annum rate of the 5-year BVAL (or if the 5-year BVAL is not available or cannot be determined, any successor rate as determined by the Bankers Association of the Philippines ("BAP") or the <i>Bangko Sentral ng Pilipinas</i> ("BSP"), as published on the website of the Philippine Dealing System Group or, if unavailable, the PDEX page of Bloomberg (or such successor website or page of the publication agent or electronic service provider) for the three (3) consecutive Business Days preceding and inclusive of the Series 4A Step-Up Date, plus 3.25%; ii. for Series 4B Preferred Shares, the higher of the (a) applicable Initial Dividend Rate; or (b) the simple average of the closing per annum rate of the 7-year BVAL (or if the 7-year BVAL is not available or cannot be determined, any successor rate as determined by the BAP or the BSP), as published on the website of the Philippine Dealing System Group or, if unavailable, the PDEX page of Bloomberg (or such successor website or page of the publication agent or electronic service provider) for the three (3) consecutive Business Days preceding and inclusive of the Series 4B Step-Up Date, plus 3.25%; and iii. for Series 4C Preferred Shares, the higher of the (a) applicable Initial Dividend Rate; or (b) the simple average of the closing per annum rate of the 10-year BVAL (or if the 10-year BVAL is not available or cannot be determined, any successor rate as determined by the BAP or the BSP), as published on the website of the Philippine Dealing System Group or, if unavailable, the PDEX page of Bloomberg (or such successor website or page of the publication agent or electronic service provider) for the three (3) consecutive Business Days preceding and inclusive of the Series 4C Step-Up Date, plus 3.25%. <p>(The date of the listing of the Series 4A Preferred Shares, the Series 4B Preferred Shares, and the Series 4C Preferred Shares is referred to as the "Listing Date". The adjusted rates referred to in (i), (ii), and (iii) are each referred to as a "Step-Up Dividend Rate".)</p> <p>However, if the Initial Dividend Rate is higher than the applicable Step-Up Dividend Rate, there shall be no adjustment on the Dividend Rate, and the Initial Dividend Rate shall continue to be the Dividend Rate.</p> <p>In the event the relevant Step-Up Date falls on a day that is not a Business Day,</p> <ol style="list-style-type: none"> a. the rate setting will be done on the immediately succeeding Business Day using the average of the relevant BVAL rates for the three (3) consecutive Business Days preceding and inclusive of the said rate setting date, and b. the higher of the applicable Initial Dividend Rate and the applicable Step-Up Dividend Rate will be applied commencing on the Step-Up Date (which is the 4th anniversary date of the Series 4A Preferred Shares, the 5th anniversary date of the Series 4B Preferred Shares, and the 7th anniversary of the Series 4C Preferred Shares).

	<p>In the event that BVAL is replaced by a new benchmark rate as determined by the BAP or the BSP, such new benchmark rate shall be adopted for purposes of determining the Dividend Rate (the "New Benchmark Rate"). In the absence of such new replacement benchmark rate as determined by the BAP or the BSP and there is a mandatory directive by the BAP or the BSP to no longer use or apply BVAL, the Company and the Joint Lead Underwriters and Joint Bookrunners shall negotiate to adopt an alternative rate that will serve as the New Benchmark Rate.</p>
Taxation	<p>All payments in respect of the Series 4 Preferred Shares are to be made free and clear of any deductions or withholding for or on account of any present or future taxes or duties imposed by or on behalf of the Philippine Government, including, but not limited to, stamp, issue, registration, documentary, value added or any similar tax or other taxes and duties, including interest and penalties. If such taxes or duties are imposed, the Company will pay additional amounts so that holders of the Series 4 Preferred Shares will receive the full amount of the relevant payment which otherwise would have been due and payable. Provided, however, that the Company shall not be liable for, and the foregoing payment undertaking of the Company shall not apply to:</p> <ol style="list-style-type: none"> any withholding tax applicable on dividends earned by or on any amounts payable to the holders of the Series 4 Preferred Shares, including any additional tax on such dividends imposed by changes in law, rule, or regulation; any income tax (whether or not subject to withholding), percentage tax (such as stock transaction tax), documentary stamp tax or other applicable taxes on the redemption of the Series 4 Preferred Shares or on the liquidating distributions as may be received by a holder of Series 4 Preferred Shares; any expanded value added tax which may be payable by any holder of the Series 4 Preferred Shares on any amount to be received from the Company under the terms and conditions of the Series 4 Preferred Shares; any withholding tax, including any additional tax imposed by changes in law, rule, or regulation, on any dividends payable to any holder of Series 4 Preferred Shares or any entity which is a non-resident foreign corporation; and any applicable taxes on any subsequent sale or transfer of the Series 4 Preferred Shares by any holder of the Series 4 Preferred Shares which shall be for the account of the said holder (or the buyer in case such buyer shall have agreed to be responsible for the payment of such taxes). <p>All sums payable by the Company to tax-exempt entities shall be paid in full without deductions for taxes, duties, assessments or governmental charges provided said entities present sufficient proof of such tax-exempt status from the tax authorities.</p> <p>Documentary stamp tax and all other costs and expenses for the issuance of the Series 4 Preferred Shares and the documentation, if any, shall be for the account of the Company.</p>
Form, Title and Registration of the Preferred Shares	<p>The Series 4 Preferred Shares shall be in scripless form through the electronic book-entry system of SMC Stock Transfer Service Corporation as Registrar for the Offer and lodged with PDTC as Depository Agent not later than the Listing Date through PSE Trading Participants nominated by the accepted Applicants. For this purpose, Applicants shall indicate in the proper space provided for in the Application to Purchase forms that will be issued and circulated in connection with the Offer (together with the required documents), the name of the PSE trading participants under whose name their shares will be registered.</p> <p>After the Listing Date, holders of the Series 4 Preferred Shares (the "Shareholders") may request their nominated PSE Trading Participants to facilitate the conversion of their scripless Series 4 Preferred Shares into stock certificates. Any expense that will be incurred in relation to such issuance of stock certificates shall be for the account of the requesting Shareholder.</p> <p>Legal title to the Series 4 Preferred Shares will be shown in an electronic register of shareholders (the "Registry of Shareholders") which shall be maintained by the Registrar. The Registrar shall send a transaction confirmation advice confirming every receipt or transfer of the Series 4 Preferred Shares that is effected in the Registry of Shareholders (at the cost of the requesting shareholder). The Registrar shall send (at the cost of the Company) at least once every quarter a Statement of Account to all shareholders named in the Registry of Shareholders and Depository Participants, confirming the number of Series 4 Preferred Shares held by each Shareholder on record in the Registry of Shareholders. Such Statement of Account shall serve as evidence of ownership of the relevant Shareholder as of the given date thereof. Any request by a Shareholder for certifications, reports or other documents from the Registrar, except as provided herein, shall be for the account of the requesting Shareholder.</p>
Selling and Transfer Restrictions	<p>Initial placement and subsequent transfers of interests in the Series 4 Preferred Shares shall be subject to normal selling restrictions for listed securities as may prevail in the Philippines from time to time.</p>
Governing Law	<p>The Series 4 Preferred Shares shall be offered under and governed by the laws of the Republic of the Philippines.</p>
Status	<p>The Series 4 Preferred Shares will constitute the direct and unsecured subordinated obligations of the Company ranking at least <i>pari passu</i> in all respects and ratably without preference or priority among themselves.</p> <p>The Series 4 Preferred Shares will be subordinated to the US\$500 million Senior Perpetual Capital Securities of the Company issued in 2018, the US\$550 million Senior Perpetual Capital Securities of the Company issued in 2021 ("Capital Securities"), and any Senior Capital Securities that may be issued by the Company.</p> <p>The obligations of the Company in respect of the Preferred Shares will, in the event of the winding-up of the Company (subject to and to the extent permitted by applicable law), rank:</p> <ol style="list-style-type: none"> junior to all unsubordinated obligations of the Company (other than Parity Securities) and any obligation assumed by the Company under any guarantee of, or any indemnity in respect of, any obligation or commitment which rank or are expressed to rank senior to the Preferred Shares; <i>pari passu</i> with each other and with any Parity Securities of the Company; and senior only to the Company's Junior Securities. (as defined below). <p>"Parity Securities" means: (i) any instrument, security (including preferred shares) or obligation issued or entered into by the Company which ranks, or is expressed to rank, by its terms or by operation of law, <i>pari passu</i> with the Preferred Shares; (ii) any security guaranteed by, or subject to the benefit of an indemnity entered into by, the Company where the Company's obligations under the relevant guarantee or indemnity rank, or are expressed to rank, <i>pari passu</i> with the Company's obligations under the Series 4 Preferred Shares; and (iii) the Outstanding Series 4 Preferred Shares of the Company issued and outstanding as of the Listing Date.</p> <p>"Junior Securities" means (i) the common shares of the Company; (ii) any instrument, security or obligation issued or entered into by the Company which ranks, or is expressed to rank, junior to the Series 4 Preferred Shares; and (iii) any security guaranteed by, or subject to the benefit of an indemnity entered into by, the Company where the Company's obligations under the relevant guarantee or indemnity rank, or are expressed to rank, junior to the Company's obligations under the Series 4 Preferred Shares.</p> <p>The Company is at liberty from time to time without the consent of the holders of the Series 4 Preferred Shares to create and issue additional preferred shares or securities either (a) ranking at least <i>pari passu</i> in all respects with the Series 4 Preferred Shares, or (b) upon such terms as to ranking, distributions, conversion, redemption and otherwise as the Company may determine at the time of the issue.</p>
Liquidation Rights	<p>In the event of a return of capital in respect of the Company's winding up or otherwise (whether voluntarily or involuntarily) but not on a redemption or purchase by the Company of any of its share capital, the Shareholders at the time outstanding will be entitled to receive, in Philippine Pesos out of the assets of the Company available for distribution to shareholders, together with the holders of any other securities of the Company ranking, as regards repayment of capital, <i>pari passu</i> with the Series 4 Preferred Shares and before any distribution of assets is made to holders of any class of the securities of the Company ranking after the Series 4 Preferred Shares as regards repayment of capital, liquidating distributions in an amount equal to the Offer Price of the Series 4 Preferred Shares plus an amount equal to any dividends declared but unpaid in respect of the previous dividend period and any accrued and unpaid dividends for the then current dividend period to (and including) the date of commencement of the winding up of the Company or the date of any such other return of capital, as the case may be. If, upon any return of capital in the winding up of the Company, the amount payable with respect to the Series 4 Preferred Shares and any other securities of the Company ranking as to any such distribution <i>pari passu</i> with the Series 4 Preferred Shares is not paid in full, the holders of the Series 4 Preferred Shares and of such other securities will share ratably in any such distribution of the assets of the Company in proportion to the full respective preferential amounts to which they are entitled. After payment of the full amount of the liquidating distribution to which they are entitled, the holders of the Series 4 Preferred Shares will have no right or claim to any of the remaining assets of the Company and will not be entitled to any further participation or return of capital in a winding up.</p>

Eligible Investors	<p>The Series 4 Preferred Shares may be owned or subscribed to by any natural person of legal age, or any corporation, association, partnership, trust account, fund or entity regardless of nationality. In addition, under certain circumstances, the Issuer may reject an application or reduce the number of Series 4 Preferred Shares applied for subscription.</p> <p>Law may restrict subscription to the Series 4 Preferred Shares in certain jurisdictions. Foreign investors interested in subscribing to or purchasing the Series 4 Preferred Shares should inform themselves of the applicable legal requirements under the laws and regulations of the countries of their nationality, residence or domicile, and as to any relevant tax or foreign exchange control laws and regulations affecting them personally. Foreign investors, both corporate and individual, warrant that their purchase of the Series 4 Preferred Shares will not violate the laws of their jurisdiction and that they are allowed to acquire, purchase and hold the Series 4 Preferred Shares. For more information relating to restrictions on the ownership of the Preferred Shares, see <i>"Regulatory and Environmental Matters"</i> of the Prospectus.</p>								
Payment for the Preferred Shares	<p>The Series 4 Preferred Shares must be paid for in full upon submission of the Application. The purchase price must be paid in full in Pesos upon the submission of the duly completed and signed Application to Purchase and specimen signature card together with the requisite attachments. Payment for the Series 4 Preferred Shares shall be made by manager's check/cashier's check, corporate check or personal check drawn against any BSP-authorized bank or any branch thereof. All checks should be made payable to "Petron Preferred Shares Offer", crossed "Payee's Account Only," and dated on or before the date as the Application. The Applications and the related payments will be received at any of the offices of the Joint Lead Underwriters and Joint Bookrunners or Selling Agents. Applicants submitting their Application to a Joint Lead Underwriter and Joint Bookrunner may also remit payment for their Series 4 Preferred Shares through the Real Time Gross Settlement ("RTGS") facility of the BSP to the Joint Lead Underwriter and Joint Bookrunner to whom such Application was submitted or via direct debit to their deposit account maintained with such Joint Lead Underwriter and Joint Bookrunner. Cash payments shall not be accepted.</p> <p>Should the Applicant elect to pay through RTGS, the Application should be accompanied by an instruction issued by the Applicant to effect payment through RTGS in an amount equal to the total Offer Price of the Offer Shares applied for, to be effected and fully funded not later than 12:00 noon on June 27, 2023.</p> <p>Should the Applicant elect to pay by a debit memo or instruction, the Application should be accompanied by a debit memo or instruction issued by the Applicant in an amount equal to the total Offer Price applied for in favor of the Joint Lead Underwriter and Joint Bookrunner to whom the Application is submitted, to be effected no later than 12:00 noon on June 27, 2023.</p>								
Acceptance/Rejection of Applications	<p>The actual number of Series 4 Preferred Shares that an Applicant will be allowed to subscribe for is subject to the confirmation of the Joint Lead Underwriters and Joint Bookrunners. The Company, in consultation with the Joint Lead Underwriters and Joint Bookrunners, reserves the right to accept or reject, in whole or in part, any Application due to any grounds specified in the Underwriting Agreement to be entered into by the Company and the Joint Lead Underwriters and Joint Bookrunners. Applications which were unpaid or where payments were insufficient and those that do not comply with the terms of the Offer shall be rejected. Moreover, any acceptance or receipt of payment pursuant to the Application does not constitute approval or acceptance by the Company of the Application.</p> <p>An Application, when accepted, shall constitute an agreement between the Applicant and the Company for the subscription to the Series 4 Preferred Shares at the time, in the manner and subject to terms and conditions set forth in the Application to Purchase and those described in the Prospectus. Notwithstanding the acceptance of any Application by the Company, the actual subscription by the Applicant for the Series 4 Preferred Shares will become effective only upon listing of the Series 4 Preferred Shares on the PSE and upon the obligations of the Joint Lead Underwriters and Joint Bookrunners under the Underwriting Agreement becoming unconditional and not being suspended, terminated or cancelled, on or before the Listing Date, in accordance with the provision of the said agreement. If such conditions have not been fulfilled on or before the periods provided above, all Application payments will be returned to the Applicants without interest.</p>								
Refunds for Rejected Applications	<p>In the event that the number of Series 4 Preferred Shares to be allotted to an Applicant, as confirmed by a Joint Lead Underwriter and Joint Bookrunner or Selling Agent, is less than the number covered by its Application, or if an Application is wholly or partially rejected by the Company, then the Company shall refund, without interest, within five (5) Business Days from the end of the Offer Period, all or the portion of the payment corresponding to the number of Series 4 Preferred Shares wholly or partially rejected. All refunds, without interest, shall be made through the Joint Lead Underwriters and Joint Bookrunners, Selling Agent, or Receiving Agent (as applicable) with whom the Applicant has filed the Application within five (5) Business Days from the end of Offer Period.</p> <p>Should the refund be made via a check, an Applicant may retrieve such check refund at the office of the relevant Joint Lead Underwriter and Joint Bookrunner, Selling Agent, or Receiving Agent (as applicable) with whom the Applicant has filed the Application. Refund checks that remain unclaimed after thirty (30) days from the date such checks are made available for pick-up shall be delivered through registered mail, at the Applicant's risk, to the address specified by the Applicant in the Application.</p>								
Timetable	<p>The timetable of the Offer is expected to be as follows:</p> <table border="0" data-bbox="300 1182 1085 1265"> <tr> <td>Offer Period</td> <td>June 15 to June 27, 2023</td> </tr> <tr> <td>Deadline of Submission of Trading Participant's Firm Undertaking</td> <td>June 23, 2023, 11:00 a.m.</td> </tr> <tr> <td>Release of Notice of Trading Participants' Final Allocation</td> <td>June 26, 2023, 9:00 a.m.</td> </tr> <tr> <td>Listing Date and commencement of trading on the PSE</td> <td>July 7, 2023</td> </tr> </table>	Offer Period	June 15 to June 27, 2023	Deadline of Submission of Trading Participant's Firm Undertaking	June 23, 2023, 11:00 a.m.	Release of Notice of Trading Participants' Final Allocation	June 26, 2023, 9:00 a.m.	Listing Date and commencement of trading on the PSE	July 7, 2023
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