



GREENERGY HOLDINGS INCORPORATED
(formerly MUSX Corporation)
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23 October 2018

PHILIPPINE STOCK EXCHANGE

Philippine Stock Exchange Tower
5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

Attention: **MR. RAMON S. MONZON**
President and Chief Executive Officer

MS. JANET A. ENCARNACION
Head, Disclosure Department

Subject: **Lifting of the Trading Suspension**

Gentlemen:

We write in response to the *Correspondence* dated 26 September 2018 (the “*Correspondence*”) sent by the Philippine Stock Exchange (the “Exchange”) to Greenergy Holdings Incorporated (“GHI”) where the Exchange resolved to grant GHI’s request for the lifting of the trading suspension of its listed shares and directed the same to provide the investing public with a comprehensive disclosure in relation thereto. Further, GHI was directed over the phone by the Disclosure Department to provide the Exchange with an update on the status of the submission of its reportorial requirements.

I. Narration of Events Relating to the Trading Suspension

1. In the evening of 12 May 2015, a news article was posted on www.abs-cbnnews.com, wherein it was reported that the bank accounts of GHI as well as its subsidiary and affiliate (collectively, the “Company”) were allegedly included in a *Freeze Order* allegedly issued by the Court of Appeals on 11 May 2015.

2. In the morning of 13 May 2015, GHI immediately requested for the voluntary trading suspension of its shares listed with the Exchange “in order to prevent any unusual volatility in the trading of its securities that may cause investor panic as a result of the news article x x x.”

3. On even date, the Exchange, “[a]fter a careful evaluation of the facts and circumstances regarding the matter x x x decided to impose the trading suspension on GREEN shares. x x x

4. In the afternoon of 13 May 2015, GHI received an official copy of the *Freeze Order* and submitted the required disclosures to the Exchange.

5. On 6 November 2015, the Company filed a *Motion to Lift Freeze Order* (the "*Motion to Lift*") of even date with the Court of Appeals where it stated, among others, that the alleged unjustified bank transactions of the Company and its subsidiary were above-board, legal, and duly reported to the appropriate regulatory bodies of the government even prior to any investigation conducted by any government agency.

6. On 11 November 2015, without resolving the *Motion to Lift Freeze Order* filed by the Company, the *Freeze Order* was *motu proprio* lifted upon the expiration of the maximum six (6)-month period to freeze bank accounts allowed under Republic Act No. 9160, as amended, otherwise known as the "Anti-Money Laundering Act."

7. On 12 November 2015, the Republic of the Philippines, through the Anti-Money Laundering Council ("AMLC"), filed a *Verified Ex Parte Petition for Civil Forfeiture (With Urgent Prayer for Issuance of a Provisional Asset Preservation Order and/or Asset Preservation Order)* dated 29 October 2015 (the "*Ex Parte Petition*") with the Regional Trial Court of the City of Manila (the "Regional Trial Court"), docketed as AMLC Case No. 15-007-53 (the "Case"). Aside from the Company, Mr. Antonio L. Tiu ("Mr. Tiu"), Mr. James L. Tiu, Mr. Kenneth S. Tan ("Mr. Tan"), and Ms. Ciara Mae Ong-Lim ("Ms. Ong-Lim"), corporate officers of GHI, were impleaded as respondents in the Case.

8. On 13 November 2015, the Regional Trial Court issued a *Provisional Asset Preservation Order* (the "*Provisional Order*") over bank accounts of the Company previously covered by the *Freeze Order*.

9. On 9 December 2015, the Company filed an *Omnibus Motion* of even date (the "*Omnibus Motion*") where it prayed for the dismissal of the Case on the ground that a mere perusal of the *Ex Parte Petition* will readily show that while bank accounts of the Company were mentioned, not a single allegation was made connecting any of the funds therein to any specific alleged illegal transaction or unlawful activity involving former Vice President Jejomar C. Binay.

10. Without ruling on the Company's *Omnibus Motion*, the Regional Trial Court converted the *Provisional Order* into an *Asset Preservation Order* (the "*Preservation Order*") on 15 December 2015, therefore placing under asset preservation the specified bank accounts of the Company.

11. On 18 January 2016, the Regional Trial Court discharged Mr. Tan and Ms. Ong-Lim as respondents in the Case on the ground that "there are no bank accounts or other assets of the aforesaid named respondents to be forfeited in favor of the State x x x."

12. On 22 January 2016, the Company filed a *Motion for Reconsideration* of even date (the "*Motion for Reconsideration*") of the *Preservation Order*, reiterating the arguments made in the *Omnibus Motion*.

13. On 25 May 2016, RCBC Forex Brokers Corporation ("RCBC Forex") issued a *Certification* of even date categorically refuting the findings made in the *AMLC Report* that Mr. Tiu allegedly purchased in cash the amount of US\$20.46 million in foreign currency. In the *Certification*, RCBC Forex unequivocally admitted its mistake in relaying false information to the AMLC as regards Mr. Tiu's supposed foreign exchange transaction.

14. On 27 October 2017, the Company filed a *Supplemental Motion* of even date with the Regional Trial Court where it prayed that the *Ex Parte Petition* against it be stricken from the records in view of (i) the *Certification* by RCBC Forex that the information it relayed to the AMLC regarding the involvement of Mr. Tiu in the US\$20.46 million purchase of foreign currency was erroneous, (ii) the indubitable legitimate and *bona fide* business transactions behind the inward bank remittance transactions and inter-branch fund transfers involving the Company, (iii) the false and erroneous information contained in the *AMLC Report*, and (iv) the violation of the Company's constitutional rights in connection with the *AMLC Report* and the proceedings instituted as a result thereof.

15. On 19 July 2018, the Company received an *Order* dated 9 July 2018 (the "*Discharge Order*") from the Regional Trial Court. In the *Discharge Order*, the Regional Trial Court ruled that "the funds in the subject accounts of respondents Greenergy et al. are **not related** to the unlawful activity of violation of R.A. 3019 and R.A. 7080." Thus, the bank accounts of the Company, Mr. Antonio L. Tiu, and Mr. James L. Tiu were "ordered **discharged** from the effects of the Asset Preservation Order (APO) dated December 15, 2015." Being an interlocutory order, the *Discharge Order* is immediately executory.

16. On 9 August 2018, the Company received a copy of the *Motion for Reconsideration* dated 3 August 2018 (the "*Motion for Reconsideration*") filed by the Republic of the Philippines with the Regional Trial Court assailing the *Discharge Order*. The Company is waiting to be notified of the schedule of the hearing for the *Motion for Reconsideration*.

17. As of the date of this letter, the Case remains pending with the Regional Trial Court.

II. Compliance with Reportorial Requirements

GHI wishes to inform the investing public that it has submitted all reportorial requirements, structured and unstructured, to the Exchange and that, as of the date of this letter, it has no pending reportorial requirements due to the Exchange.

Further, as of 13 July 2018, GHI has fully settled all penalties imposed on its previous delayed submission of annual and quarterly reports.

III. Request for the Lifting of the Trading Suspension

With (i) the lifting of the *Freeze Order* and the *Asset Preservation Order*, (ii) the submission by GHI of all pending reportorial requirements to the Exchange, and (iii) the full settlement of all penalties imposed by the Exchange on GHI's previous delayed submission of annual and quarterly reports, GHI formally requested the Exchange to lift the trading suspension on 23 July 2018 (the "*Request to Lift*") as there was no longer any basis for its imposition.

After careful review of the *Request to Lift* and the documents in support thereof as well as the conduct of a due diligence review of GHI's disclosures and reports, the Exchange released the *Correspondence* notifying GHI of the resolution to grant the *Request to Lift* on 26 September 2018.

We trust that you will find the foregoing in order.

Very truly yours,

A handwritten signature in black ink, appearing to read "Martin C. Subido". The signature is fluid and cursive, with the first name "Martin" being the most prominent.

MARTIN C. SUBIDO
Corporate Secretary