

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report (Date of earliest event reported)
Dec 15, 2021
 2. SEC Identification Number
39274
 3. BIR Tax Identification No.
000-506-020-000
 4. Exact name of issuer as specified in its charter
AC Energy Corporation
 5. Province, country or other jurisdiction of incorporation
Makati City, Philippines
 6. Industry Classification Code(SEC Use Only)
 7. Address of principal office
4th Floor, 6750 Office Tower, Ayala Avenue, Makati City
Postal Code
1226
 8. Issuer's telephone number, including area code
(02) 7730 6300
 9. Former name or former address, if changed since last report
N/A
 10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA
- | Title of Each Class | Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding |
|---------------------|---|
| Common | 38,315,838,177 |
11. Indicate the item numbers reported herein
N/A

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.



AC Energy Corporation

ACEN

PSE Disclosure Form 4-2 - Acquisition/Disposition of Shares of Another Corporation References: SRC Rule 17 (SEC Form 17-C) and Section 4.4 of the Revised Disclosure Rules

Subject of the Disclosure

Acquisition by ACEN of the ownership interest of UPC Philippines Wind Investment Co. BV ("UPC Philippines") and Stella Marie L. Sutton in their Philippine renewable energy companies and businesses

Background/Description of the Disclosure

On 18 October 2021, the Board of Directors approved the acquisition by the Company, of the ownership interest of UPC Philippines Wind Investment Co. BV ("UPC Philippines") and Stella Marie L. Sutton in the following companies: North Luzon Renewable Energy Corp. ("NLR", the owner and operator of an 81MW operating wind farm in Brgy. Caparispisan, Pagudpud, Ilocos Norte), Bayog Wind Power Corp. ("BWPC", the owner of the 160MW Pagudpud Wind Farm that is currently under construction in Brgy. Balaoi, Pagudpud, Ilocos Norte), development special purpose vehicles Buduan Wind Energy Co., Inc, Pangasinan UPC Asia Corporation, Caraballo Mountains UPC Asia Corporation, Sapat Highlands Wind Corporation, and pipeline SPVs Itbayat Island UPC Asia Corporation, Laguna West Renewables, Inc., and Suyo UPC Asia Corporation, for an aggregate consideration of up to PHP4.5 billion (subject to adjustments), subject to agreed conditions precedent including required partner, financing, and regulatory approvals, and subject further to execution of definitive documentation.

Moreover, the Board of Directors also approved a separate transaction involving the issuance of up to 390 million ACEN common shares to the owners, affiliates, and/or partners of UPC Philippines at Php11.32 per share (subject to adjustments) and subject to agreed conditions precedent and applicable regulatory approvals.

The parties are currently finalizing the definitive documentation for the transaction. The issuance and listing of the ACEN common shares to UPC Philippines were taken up for approval by the ACEN stockholders on 15 December 2021 during a special stockholders' meeting. Stockholders representing at least a majority of the authorized capital stock of ACEN voted to approve the said share issuance and listing.

Date of Approval by Board of Directors

Oct 18, 2021

Rationale for the transaction including the benefits which are expected to be accrued to the Issuer as a result of the transaction

The acquisition by the Company of UPC Philippines' ownership interest in NLR and BWPC will enable the Company to have a controlling interest in the currently operating 81MW wind farm and full ownership of the 160MW Pagudpud Wind Farm, which is nearing completion, thereby increasing the Company's share in the revenues of NLR and future revenues of BWPC.

The Company will further have ownership of UPC Philippines development projects consisting of more than 2,300MW of pipeline projects currently under development.

Details of the acquisition or disposition

Date

TBA

Manner

Payment in cash, subject to agreed conditions precedent and required corporate, financing and regulatory approvals, and subject to execution of definitive documentation

Description of the company to be acquired or sold

NLR is a joint venture between UPC Philippines Holdco I B.V., the Company, and Luzon Wind Energy Holdings B.V. It is the owner and operator of an 81MW operating wind farm in Brgy. Caparispisan, Pagudpud, Ilocos Norte.

BWPC is the owner of the 160MW Pagudpud Wind Farm that is currently under construction in Brgy. Balaoi, Pagudpud, Ilocos Norte. It is a joint venture between the Company through subsidiary ACE Endeavor, Inc. and UPC Philippines Holdco II B.V.

Budian Wind Energy Co., Inc., Pangasinan UPC Asia Corporation, Caraballo Mountains UPC Asia Corporation and Sapat Highlands Wind Corporation are non-operating, development special purpose vehicles (SPV). Laguna Solar has 1,500MW currently in the pipeline.

Itbayat Island UPC Asia Corporation, Laguna West Renewables Inc., Laguna Central Renewables Inc., Sapat Highlands Wind Corporation and Suyo UPC Asia Corporation have a combined pipeline of 800MW.

The terms and conditions of the transaction

Number of shares to be acquired or disposed	-
Percentage to the total outstanding shares of the company subject of the transaction	-
Price per share	TBA

Nature and amount of consideration given or received

Up to Php4.5 billion (subject to adjustments).

Principle followed in determining the amount of consideration

Consideration is the result of negotiation between the parties.

Terms of payment

TBA

Conditions precedent to closing of the transaction, if any

Definitive documentation

Stockholders' approval (for the issuance and listing of ACEN common shares in favor of the owners, affiliates, and/or partners of UPC Philippines)

Any other salient terms

TBA

Identity of the person(s) from whom the shares were acquired or to whom they were sold

Name	Nature of any material relationship with the Issuer, their directors/ officers, or any of their affiliates
UPC Philippines Wind Investment Co. B	None
Stella Marie L. Sutton	None

Effect(s) on the business, financial condition and operations of the Issuer, if any

The transaction will have minimal effect on the ownership and capital structure of the Company. Upon completion of the issuance of 390 million common ACEN shares to the owners, affiliates, and/or partners of UPC Philippines, they will own a combined 1.02% of the resulting outstanding shares of the Company.

The acquisition by the Company of UPC Philippines' ownership interest in NLR and BWPC will enable the Company to increase its control over NLR which currently operates an 81MW wind farm in Pagudpud, Ilocos Norte, and to have full ownership and control over BWPC's 160MW Pagudpud Wind Farm, which is nearing completion, thereby increasing the Company's share in the revenues of NLR and future revenues of BWPC. The Company will further have ownership of UPC Philippines development projects totaling 2,300MW.

Other Relevant Information

The Company will acquire the 33.3% ownership interest of UPC Philippines in NLR, consisting of 16,670 common shares with a par value of Php100.00 per share and 740 preferred shares with a par value of Php228,712.35 per share.

The Company will acquire the 40% ownership interest of UPC Philippines in BWPC, consisting of 4,165 common shares with a par value of Php100 per share.

The interest which directors of the parties to the transaction have in the transaction, if any: The Company's directors have no interest in the transaction.

Steps to be taken, if any, to safeguard the interests of any independent shareholders: The issuance and listing of the ACEN common shares were presented to the stockholders for approval on 15 December 2021 during a special stockholders' meeting. Stockholders representing at least a majority of the authorized capital stock of ACEN voted to approve the said share issuance and listing.

Filed on behalf by:

Name	Alan Ascalon
Designation	Vice President/ Asst. Corporate Secretary