

AUCTION RULES AND PROCEDURES
(Approved on May 3, 2023)

The public auction for delinquent shares of Premiere Horizon Alliance Corp. (the “Company”) pursuant to the Revised Corporation Code (hereinafter, the “auction”) shall be conducted in accordance with the following rules and procedures:

Registration Procedures

1. All interested bidders are required to pre-register by filling out the registration form posted at the Company’s website <https://www.premierehorizon.com> and sending the duly filled-out form registration and the required documents stated in the registration form to Ms. Cyrine Jerah Nambong at cjnambong@gmail.com. The pre-registration period shall be from May 3, 2023 until 12:00 noon of May 10, 2023. Only those who received acknowledgment emails from the Company are permitted to participate in the auction. There will strictly be no on-site registration on May 11, 2023, the date of the auction (the “Auction Date”), for persons who did not pre-register.
2. Pre-registered bidders shall submit the originals of the signed registration form (Annex 2) and the required documents at least thirty (30) minutes before the start of the auction on the Auction Date. For the avoidance of doubt, the registration form shall form an integral part of these Auction Rules and Procedures.
3. Only bidders and their representatives who have completed the pre-registration requirements and submitted the original documents within the period stated above are authorized to participate in the bidding on Auction Date.

Executive Committee

1. The auction will be conducted by the Executive Committee, currently consisting of six (6) members, which is headed by its Chairman who is duly appointed by the Company. Four (4) members of the Executive Committee will constitute a quorum. The members of the Executive Committee may attend the auction either (a) in person at the Company’s Board Room at #1705 East Tower, PSE Building, Exchange Road, Ortigas Center, Pasig City, or (b) through videoconferencing (such as, but not limited to Zoom, Microsoft Teams, and Google Meet).
2. The Executive Committee, by majority vote of all members of the Executive Committee in attendance, shall have the authority to conduct, address, and decide all matters arising out of or incidental to the auction, including the implementation and interpretation of these Auction Rules and Procedures, and the award of the winning bids. All decisions of the Executive Committee shall be final.
3. The Executive Committee shall have the right, for any reason whatsoever, to exclude any person from participating in the bid and to exclude any specific subscription from the bid. The Executive Committee shall likewise have the right to reject any and all



bids at its sole discretion, to waive any defects or informality on the bids received and to accept the bid most advantageous to the Company. For the avoidance of doubt, the Company and Executive Committee do not guarantee that any award shall be made in the auction.

4. The auction proceedings will be opened by the Chairman of the Executive Committee at exactly 10:00 a.m. on the Auction Date. All auction proceedings shall be held at the Company's Board Room at #1705 East Tower, PSE Building, Exchange Road, Ortigas Center, Pasig City.
5. During the bidding, the Executive Committee shall have the sole discretion to increase the increments of the bids to any amount.

Auction Mechanics

1. The subject matter of the auction shall be the shares of the Company which have been confirmed delinquent in the resolution of the Board of Directors ("BOD") on April 11, 2023 ("Delinquent Shares"). The Company has also caused the publication of the Delinquent Shares and the BOD's April 11, 2023 resolution in the April 20, April 26 and May 3, 2023 editions of the Business Mirror (Economy Section). The Delinquent Shares that will be the subject of the auction are provided in Annex 1.
2. The Executive Committee shall be authorized to auction the Delinquent Shares into Auction Lots consisting of Auctions Lots 1, 2 and 3 (*see also* Annex 1). Each Auction Lot shall be auctioned off separately. The Auction Lots are as follows:

Auction Lot	No. of Shares
1	1,389,802,253
2	33,976,943
3	33,976,943

3. The total unpaid subscription plus accrued interest as at Auction Date, cost of advertisement, expenses of sale, and other fees for each Auction Lot are enumerated in Annex 1. The accrued interest is computed at 6% per annum computed from the date the Delinquent Shares became delinquent.
4. The number of shares, and the unpaid balance on the subscription together with accrued interest as at Auction Date, costs of advertisement, expenses of sale and other fees (for the account of the winning bidder) for each Auction Lot shall be announced by the representative of the Executive Committee when the Auction Lot is put up for auction.
5. In accordance with Section 67 of the Revised Corporation Code, the bidder who shall offer to pay highest amount which is sufficient to cover the full amount of the balance on the subscription, accrued interest as at Auction Date, costs of advertisement, expenses of sale and other fees, for the smallest number of shares shall be considered the winning bidder.



6. The Delinquent shares shall only be sold at the auction if the bid is sufficient to satisfy the unpaid subscription, accrued interest as at Auction Date, costs of advertisement, expenses of sale, and other fees. These claims of the Company shall be the opening bid for each Auction Lot (the “Qualifying Bid”). If the bids do not meet the Qualifying Bid, the Delinquent Shares will not be sold during the auction.
7. The Executive Committee shall announce the winning bidder (should the bid at least meet the Qualifying Bid) if no better bid is made within a reasonable time from the current bid.
8. The auction shall be made “*viva-voce*” whereby each bidder shall raise his/her bidding card with the bidder number, and his/her bid.
9. There is no limit on the number of Auction Lots which a bidder can submit a bid.
10. The Executive Committee has the discretion to record the auction proceedings in any manner deemed necessary and convenient. In this regard, the individual or corporate bidder, and their representatives, consent to the video or audio recording of the auction by participating in the auction.

Payment

1. The winning bidder declared by the Executive Committee may pay the bid as follows:
 - (a) The winning bidder may pay the full amount of the winning bid within the business hours of the auction date; or
 - (b) The winning bidder may pay the winning bid in installments as follows: (i) 35% of the winning bid shall be paid within one (1) hour from the Executive Committee’s declaration of the winning bidder; and (ii) the remaining 65% of the winning bid by shall be paid on or before the close of business hours of June 9, 2023. The Executive Committee may, at its sole discretion, extend the period to pay the remaining 65% of the winning bid, but any extension granted by the Executive Committee shall not go beyond the close of business hours of July 10, 2023.

If the winning bidder pays the winning bid by installments in accordance with paragraph (b), the 35% of the winning bid shall be paid only by tendering (i) cash to the Company’s cashier, or (ii) manager’s Checks issued by Union Bank of the Philippines (UBP), Bank of the Philippine Islands (BPI), Banco De Oro (BDO), or Metropolitan Bank and Trust Company payable to “Premiere Horizon Alliance Corp.” If manager’s checks are tendered to the Company, the winning bidder shall be considered to have paid the bid once the Company verifies that the amount has been credited to the Company’s account.

2. Subject to the provisions of paragraph 1 under the heading “Payment”, payments shall be made in the following manner:



- (a) Tendering cash to the Company's cashier;
- (b) Manager's Checks issued by Union Bank of the Philippines (UBP), Bank of the Philippine Islands (BPI), Banco De Oro (BDO), or Metropolitan Bank and Trust Company payable to "Premiere Horizon Alliance Corp."; or
- (c) any other method as may be allowed by the Executive Committee.

For payments other than tendering cash to the Company's cashier, the bidder shall be considered to have paid the bid once the Company verifies that the amount has been credited to the Company's account.

3. Upon being declared as the winning bidder, the winning bidder shall accomplish and sign a Confirmation of Bid (*see* Annex 3) and submit such other documents as may be required by the Executive Committee.
4. Upon confirmation by the Company of actual receipt of the full payment of the winning bid by the winning bidder, a Certificate of Auction Sale (*see* Annex 4) shall be executed by the winning bidder and the representative of the Executive Committee.
5. Failure by the winning bidder to pay the full amount of the bid within the prescribed period shall result in all of the following:
 - (a) The forfeiture in favor of the Company of any and all monies that have been paid by the winning bidder to the Company;
 - (b) The forfeiture by the winning bidder of all rights to purchase the shares subject of the winning bid; and
 - (c) Declaration of a failure of auction with respect to the Auction Lot subject of the winning bid.
6. The Delinquent Shares are sold on an "as is, where is" basis. The Company makes no warranty on the Delinquent Shares subject of the auction. The bidder assumes all risks in purchasing the Delinquent Shares including, but not limited to, claims of third parties on the Delinquent Shares.

For the information of all bidders, Auction Lot 1 corresponding to the subscription of 1,389,802,253 PHA shares (*see also* Annex 1) is currently the subject of a Writ of Preliminary Attachment dated October 6, 2022 issued by Branch 45 of the Manila Regional Trial Court in Civil Case No. R-MNL-22-06284-CV.

7. The winning bidder shall hold the Company free and harmless from and against any and all claims, losses, suits, liabilities, actions, damages, costs and expenses arising out of or with respect to the auction and transfer of the Delinquent Shares to the winning bidder.



8. The winning bidder acknowledges that purchase of the Delinquent Shares at the auction may be subject to a court action under Section 68 of the Revised Corporation Code.

Transfer of Ownership

1. The winning bidder shall only have a right to the Delinquent Shares once it has fully paid the winning bid to the Company.
2. The winning bidder shall be responsible for the payment of all taxes and expenses, and compliance with and submission of all the requirements of the Bureau of Internal Revenue (“BIR”) arising out of or in connection with the transfer of the Delinquent Shares to the winning bidder’s name. For the avoidance of doubt, obtaining a certificate authorizing registration (“CAR”) from the BIR shall be the sole responsibility of the winning bidder. The winning bidder shall submit the original CAR to the Company. Once the Company receives the original CAR from the winning bidder, the Company shall forward it, including any other relevant documents, to the Stock Transfer Agent to effect the registration of the transfer of the Delinquent Shares to the winning bidder’s name in the Company’s records.
3. The issuance of a stock certificate shall be processed by the Stock Transfer Agent upon receipt of proof of: (a) the full payment of the winning bid by the winning bidder; and (b) payment of all taxes and expenses, the original CAR, and other documents as may be required by the Stock Transfer Agent.
4. Any subsequent sale, assignment, trade, encumbrance, or transfer of the shares subject of the auction will not be registered in the Company’s records until (a) the Stock Transfer Agent has recorded the transfer of the Delinquent Shares in the name of the winning bidder, and (b) the documents and proof of payment of taxes, among others, are provided to the Company and Stock Transfer Agent.
5. The winning bidder shall be responsible for the payment of all necessary expenses, including but not limited to notarial fees, arising out of or in connection with the transfer of the Delinquent Shares to the winning bidder’s name.
6. Upon completion of the auction, or if there are no bids meeting the Qualifying Bids for all or any of the Delinquent Shares, the Executive Committee shall adjourn the proceedings.



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As a participating bidder of the auction, I hereby declare that I have read and understood the foregoing Auction Rules and Procedures, and expressly agree to be bound by their provisions.

By signing this document, I voluntarily consent to the processing of my personal data in connection with auction. I acknowledge that I have read and understood the terms and conditions pertaining to the data privacy practices of the Company.

Executed May ____, 2023 at the City of Pasig.

SIGNATURE OVER PRINTED FULL NAME

DATE: _____



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ANNEX 1

Auction Item No.	No. of Shares	Unpaid Amount	Accrued Interest	Advertisement Cost	Legal Fees	TOTAL
1	1,389,802,253	340,476,057.57	3,693,932.02	80,988.11	528,812.69	344,779,790.40
2	33,976,943	8,409,293.31	91,235.07	1,979.94	12,928.05	8,515,436.38
3	33,976,943	8,409,293.31	91,235.07	1,979.94	12,928.05	8,515,436.38
TOTAL	1,457,756,139	357,294,644.19	3,876,402.17	84,948.00	554,668.80	361,810,663.16

ANNEX 2

Auction Registration Form

Name: _____

Address: _____

Phone number: _____ Email: _____

Item(s) of Interest: (Please list the Auction Lots you are interested in bidding on and the bid that you will submit to the Company for the Auction Lot.)

Auction Lot	Bid

Terms and Conditions:

1. The bidder whose bid meets the Qualifying Bid and has the highest bid at the close of the auction will be considered the winner.
2. The winning bidder should pay the winning bid in accordance with the Auction Rules and Procedures.
3. Auction Lot 1 is currently the subject of a Writ of Preliminary Attachment dated October 6, 2022 issued by Branch 45 of the Manila Regional Trial Court in Civil Case No. R-MNL-22-06284-CV.
4. Electronic copies of the required documents (*see below*) shall be submitted to Ms. Cyrine Jerah Nambong at cjnambong@gmail.com no later than 12:00 noon of May 10, 2023. Originals of the required documents shall be submitted to the Company at least 30 minutes before the start of the auction on the Auction Date. The auction will start at exactly 10:00 a.m. on May 11, 2023 at the Company's Board Room at #1705 East Tower, PSE Building, Exchange Road, Ortigas Center, Pasig City.
5. By participating in the auction, you agree to be bound by the Auction Rules and Procedures. The terms used in this Auction Registration Form shall have the same meaning ascribed to them in the Auction Rules and Procedures.

Required documents:

1. For individual bidders:
 - (a) Two (2) government-issued identification cards of the individual bidder;



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- (b) If the individual bidder will be represented by a representative during the auction, signed and notarized special power of attorney authorizing the representative to (i) represent the individual bidder during the auction and sign documents on behalf of the individual bidder, (ii) make commitments and covenants and incur obligations in connection with the auction, (iii) submit bids to the Company, and (iv) make payments to the Company should the individual bidder prevail in the auction;
 - (c) Two (2) government-issued identification cards of the representative of the individual bidder (if applicable);
 - (d) Three specimen signatures of the individual bidder and the representative (if applicable) written on a letter-sized paper; and
 - (e) Auction Rules and Procedures signed by the individual bidder or the individual bidder's duly authorized representative.
2. For corporate bidders:
- (a) signed and notarized board resolution or secretary's certificate authorizing the corporate bidder's representative to (i) represent the corporate bidder during the auction and sign documents on behalf of the corporate bidder, (ii) make commitments and covenants and incur obligations in connection with the auction, (iii) submit bids to the Company, and (iv) make payments to the Company should the corporate bidder prevail in the auction;
 - (b) corporate bidder's latest General Information Sheet and Articles of Incorporation as at Auction Date which are duly certified by the Securities and Exchange Commission; and
 - (c) Two (2) government-issued identification cards of the representative of the corporate bidder;
 - (d) Three (3) specimen signatures of the corporate bidder's representative written on a letter-sized paper; and
 - (e) Auction Rules and Procedures signed by the duly authorized representative of the corporate bidder.

I have read, understood, and agree to the terms and conditions of the auction. I hereby certify that all information provided in this Auction Registration Form and the documents submitted to the Company are true and accurate.

Name and signature: _____

Date: _____



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ANNEX 3

Confirmation of Bid

I hereby confirm that I have bid for Auction Lot No. _____ for _____ shares at PhP _____ per share or for a total amount of PhP _____. I hereby agree and confirm that I will pay the bid within the period provided in the Auction Rules and Procedures. I understand that my failure to pay the bid in accordance with the Auction Rules and Procedures may result in the invalidation of my bid.

Name of bidder: _____

Signature of bidder: _____

Name of representative (if applicable): _____

Signature of representative (if applicable): _____

Date: _____

ANNEX 4

Certificate of Auction Sale

This certificate is issued to _____ in recognition of the successful bid for Auction Lot No. ____ corresponding to _____ shares in the auction of the delinquent shares of the Company held on May 11, 2023.

The winning bid amount was PhP_____ per share corresponding to the aggregate amount of PhP_____. The bidder has fulfilled its obligation to provide payment within the period required in the Auction Rules and Procedures.

Done this ____ day of _____ 2023 at Pasig City.

Premiere Horizon Alliance Corp.

[insert name of winning bidder]

By:

[insert name]

[insert position]