

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. 17 April 2020  
Date of Report (Date of earliest event reported)
  
2. SEC Identification No. 160968
3. BIR Tax Identification No. 000-168-541
  
4. Pepsi-Cola Products Philippines, Inc.  
Exact name of issuer as specified in its charter
  
5. Philippines  
Province, country or other jurisdiction of incorporation
6.  (SEC Use Only)  
Industry Classification Code
  
7. Km. 29 National Road, Tunasan, Muntinlupa City 1773  
Address of principal office Postal Code
  
8. (+632) 888-73774  
Issuer's telephone number, including area code
  
9. Not Applicable  
Former name or former address, if changed since last report
  
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
<u>Common Shares</u>	<u>3,693,772,279</u>

11. Indicate the item numbers reported herein: Item 9

## Other Events

On 17 April 2020, the Company received a letter from Lotte Chilsung Beverage Co. Ltd. ("Lotte Chilsung") advising the Company and the Philippine Competition Commission that, in a letter dated 06 April 2020 and received by Lotte Chilsung on 13 April 2020, the Securities and Exchange Commission ("SEC") issued a ruling in connection with the fairness opinion issued by Punongbayan & Araullo ("P&A") for the tender offer.

Lotte Chilsung's letter summarized the SEC's letter as follows:

- (i) "The SEC affirmed the independence of P&A as financial advisor to render the fairness opinion for the tender offer and concluded that there is 'no reason to believe that P&A acted contrary to rules 19.2.6.1 and 19.2.6.2.7.6' of the Securities Regulation Code implementing rules and regulations ("SRC Rules")";
- (ii) "Directed Lotte Chilsung to include in the Valuation and Fairness Opinion Report, the rationale for selection of two companies as "comparables" and rationale for non-selection of other competitor companies identified in Pepsi's 2018 SEC Form 17-A filing and (b) the results of other valuation procedure using either an asset-based or earnings/income-based valuation methodology, upon which, the report should be filed no later than five (5) business days from receipt of copy of SEC's letter;
- (iii) "Upon filing an Amended Tender Offer Report (attached thereto the foresaid Valuation and Fairness Opinion Report) with Commission, immediately re-open and resume the mandatory tender offer and conduct the same for the next ten (10) days."

In its letter, Lotte Chilsung said that it "would like to assure PCPPI shareholders of its intention to complete the transaction as provided under the terms and conditions of the tender offer" and advised that "Lotte Chilsung shall comply with the foregoing directives of the SEC. However, in view of the timetable it will take to comply, [Lotte Chilsung] intend[s] to request for an extension from the SEC to allow [Lotte Chilsung] to file the Amended Tender Offer Report at a later time. [Lotte Chilsung] shall inform [the Company and the PCC] immediately with respect to developments in connection with the foregoing including the indicative timetable for the re-opening of the tender offer."

Please see attached the letter from Lotte Chilsung dated 17 April 2020.

## SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PEPSI-COLA PRODUCTS PHILIPPINES, INC.  
Issuer

17 April 2020  
Date

  
Kristine N.L. Evangelista  
Corporate Secretary

17 April 2020

**PEPSI-COLA PRODUCTS PHILIPPINES, INC.**

Km. 29 National Road, Tunasan,  
Muntinlupa City, Metro Manila,  
Philippines 1773

Attention: **MR. FREDERICK DY ONG**  
Chief Executive Officer

**MR. YOUNG DUK KANG**  
SVP – Chief Strategy Officer Compliance Officer  
and Data Protection Officer

**ATTY. KRISTINE N.L. EVANGELISTA**  
Corporate Secretary

**PHILIPPINE COMPETITION COMMISSION**

25<sup>th</sup> Floor, Vertis North Corporate Center 1  
Astra corner Lux Drives  
Vertis North, Mindanao Avenue  
Quezon City

Attention: **ATTY. KRYSTAL LYN T. UY**  
Director, Mergers and Acquisitions Office

**ATTY. LIANNE IVY P. MEDINA**  
Assistant Director, Mergers and Acquisitions Office

Re: **Tender Offer to the Shareholders of  
Pepsi-Cola Products Philippines, Inc.**

Ladies and Gentlemen:

We write in connection with the tender offer by **LOTTE CHILSUNG BEVERAGE CO. LTD.** (“**Lotte Chilsung**”) to acquire up to 2,134,381,838 common shares in **PEPSI-COLA PRODUCTS PHILIPPINES, INC.** (“**PCPPI**”) from all shareholders of PCPPI other than Lotte Corporation and the members of the Board of Directors with respect to their qualifying common shares and the officers of PCPPI.

Please be advised that in a letter dated 6 April 2020 which we received on 13 April 2020, the Securities and Exchange Commission (“**SEC**”) issued a ruling in connection with the fairness opinion issued by Punongbayan & Araullo (“**P&A**”) for the tender offer, the key points of which are as follows:

- i. The SEC affirmed the independence of P&A as financial advisor to render the fairness opinion for the tender offer and concluded that there is “no reason to believe that P&A acted contrary to rules 19.2.6.1 and 19.2.6.2.7.6” of the Securities Regulation Code implementing rules and regulations (“**SRC Rules**”);
- ii. Directed Lotte Chilsung to include in the Valuation and Fairness Opinion Report, (a) the rationale for selection of two companies as “comparables” and rationale for non-selection of other competitor companies identified in Pepsi’s 2018 SEC Form 17-A filing and (b) the results of other valuation procedure using either an asset-based or earnings/income-based valuation methodology, upon which, the

report should be filed no later than five (5) business days from receipt of copy of SEC's letter.

- iii. Upon filing an Amended Tender Offer Report (attached thereto the foresaid Valuation and Fairness Opinion Report) with Commission, immediately re-open and resume the mandatory tender offer and conduct the same for the next ten (10) days.

Lotte Chilsung would like to assure PCPPI shareholders of its intention to complete the transaction as provided under the terms and conditions of the tender offer. Accordingly, please be advised that Lotte Chilsung shall comply with the foregoing directives of the SEC. However, in view of the timetable it will take to comply, we intend to request for an extension from the SEC to allow the Company to file the Amended Tender Offer Report at a later time. We shall inform you immediately with respect to developments in connection with the foregoing including the indicative timetable for the re-opening of the tender offer.

Very truly yours,

**LOTTE CHILSUNG BEVERAGE CO. LTD.**

By:

  
LUIS MANUEL L. GATMAITAN

  
MOISES RONETTE C. COLOBONG