



OFFICE OF THE CORPORATE SECRETARY

Direct Line: 8536-0540
Trunk Lines: 8891-6040 to 70
Local: 4582

February 23, 2021

PHILIPPINE DEALING & EXCHANGE CORPORATION

29th Floor, BDO Equitable Tower
8751 Paseo de Roxas
Makati City

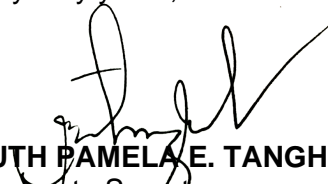
Attention: **ATTY. MARIE ROSE M. MAGALLEN-LIRIO**
Head - Issuer Compliance and Disclosure Department (ICCD)

Dear Atty. Magallen-Lirio:

We are pleased to furnish the Philippine Dealing and Exchange Corporation (PDEX) a copy of our amended disclosure to the Philippine Stock Exchange regarding the additional equity investment of the Bank to PNB-Mizuho Leasing and Finance Corporation.

We trust you will take note accordingly. Thank you.

Very truly yours,



RUTH PAMELA E. TANGHAL
Corporate Secretary

Philippine National Bank
PNB Financial Center
Pres. Diosdado Macapagal Blvd.,
Pasay City, Metro Manila 1300, Philippines

T. (632) 8526-3131 to 70 / 8891-6040 to 70
P.O. Box 1884 (Manila)
P.O. Box 410 (Pasay City)
www.pnb.com.ph

Authorized Depository of the Republic of the Philippines
Member: PDIC

C01121-2021

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)
Feb 23, 2021
2. SEC Identification Number
ASO96-005555
3. BIR Tax Identification No.
000-188-209-000
4. Exact name of issuer as specified in its charter
Philippine National Bank
5. Province, country or other jurisdiction of incorporation
Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
PNB Financial Center, Pres. Diosdado Macapagal Blvd., Pasay City, Metro Manila
Postal Code
1300
8. Issuer's telephone number, including area code
(632) 8526-3131 to 70/(632) 8891-6040 to 70
9. Former name or former address, if changed since last report
Not Applicable
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 Shares | 1,525,764,850 |
11. Indicate the item numbers reported herein
Item 2

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.



PNB

Philippine National Bank PNB

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

Additional Equity Investment in Subsidiary

Background/Description of the Disclosure

We wish to advise the Exchange that during its meeting held on February 19, 2021, the PNB Board of Directors approved and confirmed the infusion of additional capital of up to P515 Million to PNB-Mizuho Leasing and Finance Corporation, subject to regulatory and other necessary approvals.

The infusion of additional capital will increase the Bank's shareholdings in PNB-Mizuho Leasing and Finance Corporation from 75% to 83.5%.

We trust you will take note accordingly. Thank you.

Date of Approval by Board of Directors

Feb 19, 2021

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

1. The infusion of additional capital will increase the Bank's shareholdings in PNB-Mizuho Leasing and Finance Corporation from 75% to 83.5%.
2. The prospects of the leasing business in the Philippines remains positive considering the expected growth on industries which are the major clients for leasing products, including (a) logistics and warehousing (b) hospital and medical equipment (c) IT and telecommunication and (d) construction and mining.
3. To ensure that the efforts to build a sustainable and profitable business in the long run is executed and delivered to the shareholders.

Details of the acquisition or disposition

Date

TBA

Manner

PNB-Mizuho Leasing and Finance Corporation will apply with the Securities and Exchange Commission for an amendment to its Articles of Incorporation to increase its authorized capital stock from 10,000,000 common shares to 20,000,000 common shares with a par value of Php100. PNB will subscribe 5,150,000 common shares out of the 10,000,000 increase in PNB-Mizuho Leasing and Finance Corporation's authorized capital stock.

Description of the company to be acquired or sold

PNB-Mizuho Leasing and Finance Corporation, formerly PNB-IBJL Leasing and Finance Corporation, is a joint venture corporation between Philippine National Bank and Mizuho Leasing Co. Ltd., a member of the Mizuho Financial Group, the third largest financial services company in Japan. PNB-Mizuho Leasing and Finance Corporation is operating as a financing company under Republic Act 8556 (the amended Finance Company Act) and its major products are Finance Lease, Operating Lease (through its wholly owned subsidiary, PNB Mizuho Equipment Rentals Corporation) and Term Loan (for productive capital expenditures secured by Chattel Mortgage).

The terms and conditions of the transaction

| | |
|---|-----------|
| Number of shares to be acquired or disposed | 5,150,000 |
| Percentage to the total outstanding shares of the company subject of the transaction | 33.99 |
| Price per share | P100.00 |

Nature and amount of consideration given or received

PNB shall pay P100.00 per share or a total of Php515,000,000.00 in exchange for 5,150,000 common shares.

Principle followed in determining the amount of consideration

The consideration is based on the par value per share of PNB-Mizuho Leasing and Finance Corporation.

Terms of payment

Cash payment amounting to P515 Million upon the approval of the BSP.

Conditions precedent to closing of the transaction, if any

Closing of transaction is subject to the following:

- (a) BSP approval of PNB's additional equity investment in PNB-Mizuho Leasing and Finance Corporation - estimated date: by end of first quarter of 2021; and
- (b) SEC approval of PNB-Mizuho Leasing and Finance Corporation's Amended Articles of Incorporation to increase its authorized capital stock - estimated date: within the second quarter of 2021.

Any other salient terms

None.

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 |
|-------------|---|
| N.A. | N.A. |

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

The infusion of additional capital will increase the Bank's shareholdings in PNB-Mizuho Leasing and Finance Corporation from 75% to 83.5%.

Other Relevant Information

1. The 5,150,000 common shares to be issued and acquired will be 33.99% of the total issued and subscribed capital stock of PNB-Mizuho and Leasing and Finance Corporation (15,150,000) after obtaining.

2. Mizuho Leasing Co., Ltd. waived its pre-emptive right thereby giving consent for PNB to fully subscribe to the 5,150,000 issuance.

The disclosure was amended to include additional information in the terms of payment and conditions precedent to closing the transaction.

Filed on behalf by:

| | |
|--------------------|---------------------|
| Name | Ruth Pamela Tanghal |
| Designation | Corporate Secretary |