



October 23, 2018

**THE PHILIPPINE STOCK EXCHANGE, INC.**  
6/F PSE Tower  
5<sup>th</sup> Avenue corner 28<sup>th</sup> Street  
Bonifacio Global City, Taguig City

Attention: **MS. JANET A. ENCARNACION**  
*Head of Disclosure Department*

Re: Report on Form 17-C

Dear Ms. Encarnacion:

We submit the SEC Form 17-C disclosure, as attached.

Thank you.

Very truly yours,

**MELCO RESORTS AND ENTERTAINMENT  
(PHILIPPINES) CORPORATION**

By:   
**MARISSA T. ACADEMIA**   
*Corporate Information Officer*



11. Indicate the item numbers reported herein: **Item 9 – Other Events**

Please see attached Annex “A” for an announcement by MCO (Philippines) Investments Limited in relation to the voluntary tender offer over the common shares of Melco Resorts and Entertainment (Philippines) Corporation which was published in the 23 October 2018 edition of the Business Mirror.

**SIGNATURE**

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

**MELCO RESORTS AND ENTERTAINMENT (PHILIPPINES) CORPORATION**

By:



**MARISSA T. ACADEMIA**  
Corporate Information Officer

**October 23, 2018**  
Date

## Annex “A”

### **ANNOUNCEMENT OF INTENTION TO MAKE A TENDER OFFER TO SHAREHOLDERS OF MELCO RESORTS AND ENTERTAINMENT (PHILIPPINES) CORPORATION**

#### **SUMMARY**

To address concerns articulated by certain investors, the Bidder hereby announces that the Tender Offer will no longer be conducted for the purpose of voluntary delisting of MRP and will instead be carried out to increase the Bidder’s shareholding interest in MRP. The Bidder has filed the Second Amended Tender Offer Report on 22 October 2018 to incorporate the above and other consequential changes. The Tender Offer period is expected to commence on 31 October 2018.

The change of purpose for the Tender Offer, which led to the withdrawal of the petition to delist by MRP on 19 October 2018, is aimed at alleviating certain investors’ concerns that the potential delisting may exert undue pressure on their decision process related to the acceptance of the Tender Offer. Investors are assured that they are free to conduct their evaluations and arrive at a decision whether to tender their shares at their absolute discretions.

#### **BACKGROUND**

On 10 September 2018, MCO (Philippines) Investments Limited (the “**Bidder**”) had previously announced its intention to conduct a voluntary tender offer (“**Tender Offer**”) for outstanding common shares of Melco Resorts and Entertainment (Philippines) Corporation (“**MRP**”), a corporation duly organized and existing under the laws of the Republic of the Philippines. In connection with the issue of the above announcement (“**First Announcement**”), on 14 September 2018, the Bidder filed a tender offer report (contained in the SEC Form 19-1) (the “**Original Tender Offer Report**”) with the Securities and Exchange Commission (“**SEC**”).

Since the publication of the First Announcement and the filing of the Original Tender Offer Report, the Bidder has announced a deferral to the original proposed timetable for the Tender Offer as well as some changes to the details originally stated in the First Announcement and the Original Tender Offer Report. In this connection, on 10 October 2018, the Bidder filed an amended tender offer report (contained in the Amended SEC Form 19-1) (the “**First Amended Tender Offer Report**”) with the SEC and published a second announcement (the “**Second Announcement**”) in the 11 October 2018 edition of the BusinessMirror, a newspaper of general circulation in the Philippines, to supplement the First Announcement (the First Announcement, the Original Tender Offer Report, the Second Announcement and the First Amended Tender Offer Report are collectively referred to as the “**Original Disclosure Documents**”).

## CHANGE OF THE PURPOSE FOR THE TENDER OFFER

As disclosed in the Original Disclosure Documents, the Tender Offer was proposed for the voluntary delisting of MRP. The Bidder hereby announces that the Tender Offer will no longer be conducted for the purpose of voluntary delisting of MRP and will instead be carried out to increase the Bidder's shareholding interest in MRP. The Bidder had communicated the above principal change to the terms of the Tender Offer ("**Change of Purpose**") to MRP, and was notified by MRP that the board of directors of MRP ("**MRP Board**"), having considered the Change of Purpose, had, on 19 October 2018, approved the withdrawal of the Petition and the Amended Petition for Voluntary Delisting (together, the "**Delisting Petitions**") originally filed with the Philippine Stock Exchange ("**PSE**") on 14 September 2018 and 18 September 2018, respectively. On the same day, MRP wrote to the PSE to formally withdraw the Delisting Petitions.

Apart from the Change of Purpose and other consequential changes to the terms of the Tender Offer, the Bidder intends to proceed with the Tender Offer on substantially the same terms as those disclosed in the Original Disclosure Documents as more particularly set out in a further amended tender offer report (the "**Second Amended Tender Offer Report**") filed with the Securities and Exchange Commission ("**SEC**") on 22 October 2018. Also, pursuant to the PSE rules, the FTI fairness opinion included in the Original Disclosure Documents is no longer required for the Second Amended Tender Offer Report as the Tender Offer will not be conducted for the purpose of voluntary delisting. The Tender Offer will be made for up to One Billion Five Hundred Sixty Nine Million Seven Hundred Eighty Six Thousand and Seven Hundred Sixty Eight (1,569,786,768)<sup>1</sup> outstanding common shares ("**Tender Offer Shares**") of MRP and the tender offer price ("**Offer Price**") shall remain at ₱7.25 per Tender Offer Share.

### ***Reasons for the Change of Purpose***

The change of purpose for the Tender Offer, which led to the withdrawal of the petition to delist by MRP on 19 October 2018, is aimed at alleviating certain investors' concerns that the potential delisting may exert undue pressure on their decision process related to the acceptance of the Tender Offer. Since the publication of the First Announcement, the Bidder, MRP, SEC, and the PSE have been contacted by certain MRP shareholders who principally expressed two areas of concern.

First, certain MRP shareholders misconceived that if the Bidder conducted the Tender Offer, MRP shareholders would be placed in a situation where they would be pressured to either accept the Tender Offer or face delisting of MRP in a delisting process that the Bidder controlled ("**First Concern**"). Second, certain MRP shareholders disagreed with portions of the analysis and the valuation ranges determined in the valuation report that the Bidder received from FTI Consulting

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<sup>1</sup> This comprises (a) the 1,561,291,102 MRP Shares that are not directly or indirectly held by the Bidder as of 10 October 2018; and (b) the additional of up to a total of 8,495,666 new MRP Shares that may be issued to the relevant grantees of equity awards under MRP's Share Incentive Plan ("**SIP**") and listed with the PSE during, or prior to the start of, the Tender Offer period due to (i) certain equity awards that were granted prior to 10 September 2018 (being the date that the Announcement was issued and published ("**TO Notice Date**")) under MRP's SIP becoming vested on 16 November 2018, and (ii) the possible exercise of certain share options that were granted under MRP's SIP prior to the TO Notice Date.

Philippines, Inc. (“FTI”), an independent valuation firm, as required by the PSE Rules on Delisting in connection with a tender offer conducted for the purpose of voluntary delisting from the PSE (“**Second Concern**”).

### First Concern

The Bidder believes that the First Concern arose due to certain misunderstandings and numerous attempts have been made by the Bidder in the Second Announcement and the First Amended Tender Offer Report to clarify such misconceptions.

Notwithstanding the clarifications previously made, the Bidder is concerned that certain MRP shareholders may still have such misperception and that it could impact their investment decisions. To ensure that MRP shareholders do not feel any pressure from the conduct of the Tender Offer by the Bidder, whether perceived correctly or not, the Bidder proposed the Change of Purpose and on 19 October, MRP withdrew the Delisting Petitions. Investors are therefore assured that they are free to conduct their evaluations and arrive at a decision whether to tender their shares at their absolute discretions.

The Bidder has the highest respect for the regulatory framework under which the Tender Offer is to be conducted in the Philippines. The Bidder maintains that the Bidder also has the highest regard for the SEC’s role in ensuring that the Tender Offer is conducted in accordance with the applicable regulatory requirements.

### Second Concern

The Bidder believes that the Second Concern is formed based in part on the misconception that all MRP shareholders have to agree with the terms of the Tender Offer, including the Offer Price, and also the basis upon which such Offer Price is determined. Numerous attempts have been made by the Bidder in the Second Announcement and the First Amended Tender Offer Report to clarify such misconception. Such clarifications previously made are reproduced as follows:-

- (1) Each individual shareholder is free to form an individual opinion and not all shareholders may share the same view. Each MRP shareholder, having considered the Offer Price and the other terms of the Tender Offer, can decide whether or not to tender any MRP shares in the Tender Offer at such shareholder’s sole discretion; and
- (2) The Tender Offer is presented to ensure that MRP shareholders who find the Offer Price and other terms of the Tender Offer acceptable are not deprived of an opportunity to sell.

**The Bidder would like to emphasize and remind MRP shareholders that not all MRP shareholders have to agree with and accept the terms of the Tender Offer, including the Offer Price, or all or any part of the FTI fairness opinion previously included in the Original Disclosure Documents. The Bidder respects that certain MRP shareholders may have differing views on the terms of the Tender Offer, including the Offer Price. No MRP shareholders is under**

**any obligation to participate in the Tender Offer. Each MRP shareholder should consider the terms of the Tender Offer carefully and decide whether or not to participate in the Tender Offer at such shareholder's sole and absolute discretion. If in doubt, MRP shareholders should seek professional advices as appropriate.**

If any MRP Shareholder does not believe that the Offer Price of Php 7.25 per Tender Offer Share is attractive, they may choose not to tender their MRP shares in the Tender Offer. Even if an MRP shareholder believes that the Offer price is at or above fair value, they still have no obligation to participate in the Tender Offer.

## **UPDATED TIMETABLE FOR THE TENDER OFFER**

The Tender Offer was originally scheduled to commence on 22 October 2018, as disclosed in the First Amended Tender Offer Report. However, due to the requirement to file the Second Amended Tender Offer Report as a result of the Change of Purpose, the Tender Offer period shall commence on 31 October 2018.

## **OTHER INFORMATION**

The Bidder is currently the shareholder of Three Billion Nine Hundred Fifty Million Four Hundred Forty Thousand Two Hundred Ninety-Six (3,950,440,296) issued and outstanding MRP Shares and is the beneficial owner of One Hundred Seventy Three Million Eight Hundred Forty Thousand Two Hundred Sixty-Eight (173,840,268) MRP Shares of MRP. This represents approximately 72.54% of the outstanding MRP Shares.

The Offer Price of ₱7.25 per Tender Offer Share represents an approximately 14% premium over the three-month volume weighted average price of the MRP Shares ended on 7 September 2018, the last trading day prior to the First Announcement. The Bidder believes the Tender Offer gives existing shareholders of MRP the opportunity to sell their MRP Shares, in cash, at a premium to the current trading price of the MRP Shares. On the other hand, the Tender Offer would also allow the Bidder to increase and consolidate its interests in MRP to better support and facilitate MRP's future business plans.

The Tender Offer will commence in accordance with, and will be subject to the Terms of the Tender Offer as set out in the Second Amended Tender Offer Report. The Tender Offer Period shall last for a period of at least twenty (20) business days.

The Bidder shall provide adequate notice and required documentation to all eligible MRP shareholders in order to ensure their appropriate participation in the Tender Offer. Among the documentation to be provided shall be the application form for the Tender Offer and a description of the terms and conditions of the Tender Offer via courier. These and other relevant information and disclosures to the Tender Offer will also be made available on the website of MRP in due course.

For inquiries or updating of addresses for receipt of Tender Offer materials, please contact the Tender Offer Agent as follows:

<b>Contact Person</b>	<b>Telephone Number</b>	<b>Email Address</b>
Lourie Teodosio	632 849 88 60	Lourie_Teodosio@maybank-atrke.com
Regina de los Santos	632 849 88 64	Regina_Santos@maybank-atrke.com