



SMC GLOBAL POWER

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December 23, 2016

DB Trustees (Hong Kong) Limited
Level 52, International Commerce Center
1 Austin road West
Kowloon, Hong Kong

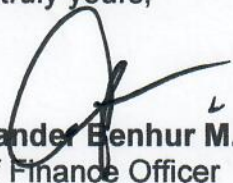
Subject: Disclosure of Information

Gentlemen:

SMC Global Power Holdings Corp. (the "Corporation") hereby reports that on December 23, 2016 SMC PowerGen Inc. ("SPI"), a wholly-owned subsidiary of the Corporation and Petron Corporation ("Petron") executed the definitive agreements for the sale of the 140 MW Co-Generation Solid Fuel-Fired Power Plant located at the Petron Bataan Refinery, Barangay Alangan, Limay, Bataan (the "Power Plant"), in favour of Petron.

SPI will apply the corresponding proceeds of the sale, to the extent necessary, to settle its outstanding obligations under the Omnibus Loan and Security Agreement entered into by SPI (as Borrower), SMC Global Power Holdings Corp. (as Sponsor), and Philippine National Bank, BDO Unibank, Inc., Bank of Commerce, Asia United Bank, and Bank of Makati (collectively, as the Lenders), dated September 27, 2013.

Very truly yours,


Alexander Benhur M. Simon
Chief Finance Officer