



**GREENERGY HOLDINGS INCORPORATED**  
(formerly MUSX Corporation)  
54 National Road, Dampol II-A  
Pulilan, Bulacan  
Tel. No. (02) 661-6945

23 August 2013

**THE DISCLOSURE DEPARTMENT  
PHILIPPINE STOCK EXCHANGE, INC.**

Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Ave.  
Makati City, Metro Manila

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

**MR. JUAN FEDERICO C. DE LEON**  
Senior Specialist, Disclosure Department

Re: Board Approval of Issuance of Shares

Gentlemen:

We write in response to your letter dated 22 August 2013 directing Greenergy Holdings Incorporated (the "Company") to submit a full, fair, accurate and timely disclosure with regard to the approval by the Company's Board of Directors of the issuance of new shares to the following subscribers:

- |                               |   |                                  |
|-------------------------------|---|----------------------------------|
| a. Sure Anthony T. Ching      | - | 3,000,000,000 common shares;     |
| b. ARC Estate & Project Corp. | - | 5,000,000,000 common shares; and |
| c. Three Star Capital Limited | - | 5,000,000,000 common shares,     |

("Subscription Shares") no later than the end of business hours on Friday, 23 August 2013. Below are the requested details of the transaction.

*a.) Rationale for the transaction, including the benefits which are expected to be accrued to the Company as a result of the transaction*

The issue price for the Subscription Shares represents fresh capital which shall be used as part of the Company's working capital that would augment the funding requirements of its growing operations as well as fund strategic corporate acquisitions of the Company, including, but not limited to, the acquisition of 26.67% equity interest in Agricultural Bank of the Philippines, Inc. (A Rural Bank) and the proposed acquisition of an IT company, which is in line with the Company's objective to diversify its investment portfolio that currently includes renewable energy and waste management projects.

***b.) Terms and conditions of the transaction:***

***b.1) The aggregate value of the transaction, including the basis upon which the consideration or the issue value was determined***

The issue price for the Subscription Shares is ₱0.01 per share, or an aggregate issue price of ₱130 million (“Subscription Price”), broken down as follows:

	<b>No. of Shares</b>	<b>Issue Price/Share</b>	<b>Total Subscription Price</b>
Sure Anthony T. Ching	3,000,000,000	₱0.01	₱30,000,000.00
ARC Estate & Project Corp.	5,000,000,000	₱0.01	₱50,000,000.00
Three Star Capital Limited	5,000,000,000	₱0.01	₱50,000,000.00
<b>TOTAL</b>	<b>13,000,000,000</b>		<b>₱130,000,000.00</b>

The issue price of ₱0.01 per share is equivalent to the par value of the Subscription Shares.

***b.2) Terms of any agreements for payment***

The Subscription Price shall be paid by the subscribers in full upon execution of their respective subscription agreements.

***b.3) Condition(s) precedent to the closing transaction, if any***

None.

***c.) Timetable for the implementation of the transaction, including related regulatory requirements or approvals, if any***

The parties intend to execute the subscription agreement on or before 05 September 2013.

The Company must submit SEC Form 10.1 (Notice of Exempt Transaction) relating to the issuance of the Subscription Shares within ten (10) days after the sale of the Subscription Shares.<sup>1</sup> The listing of the Subscription Shares must be applied with and approved by the Philippine Stock Exchange. Documentary stamp tax on original issuance of shares of stock must be paid to the Bureau of Internal Revenue on or before the 5<sup>th</sup> day of the month immediately following the date of execution of the subscription agreements.

***d.) The interest which directors of the parties to the transaction have in the proposed transaction***

Antonio L. Tiu, who is a director and President/CEO of the Company, is the owner and sole director of Three Star Capital Limited. Other than the foregoing, the directors of the Company have no interest in ARC Estate & Project Corp. and/or Sure Anthony T. Ching.

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<sup>1</sup> SRC Rule 10.1(3)(B)

e.) *Effects of the transaction on the following:*

e.1) *Ownership structure (below is the suggested format):*

Principal Shareholders	Before*		After	
	Number of Shares	%**	Number of Shares	%***
Earthright Holdings, Inc.****	25,000,000,000	14.45%	25,000,000,000	13.44%
Cleantech Projektgesellscaft MBH	20,776,856,000	12.01%	20,776,856,000	11.17%
Sunchamp Real Estate and Development Corp.	17,600,000,000	10.18%	17,600,000,000	9.46%
Three Star Capital Limited****	6,000,000,000	3.47%	11,000,000,000	5.92%
Antonio L. Tiu	1,000,000	0.001%	1,000,000	0.001%

\*As of 15 July 2013

\*\*Based on total issued and outstanding shares of 172,952,856,500

\*\*\*Based on total issued and outstanding shares of 185,952,856,500

\*\*\*\*Aside from 1,000,000 common shares directly owned by Mr. Antonio L. Tiu, he is also the indirect beneficial owner of 25,000,000,000 common shares, 17,600,000,000 common shares and 11,000,000,000 common shares held by Earthright Holdings, Inc., Sunchamp Real Estate and Development Corp., and Three Star Capital Limited, respectively.

e.2) *Capital structure (below is the suggested format):*

	Before	After
<b>Authorized Capital Stock</b>	₱2,000,000,000.00	₱2,000,000,000.00
<b>Issued Shares</b>	172,952,856,500	185,952,856,500
<b>Outstanding Shares</b>	172,952,856,500	185,952,856,500
<b>Listed Shares</b>	45,243,478,240	45,243,478,240
<b>Par Value</b>	₱0.01	₱0.01

e.3) *Public float*

	Before	After
No. of shares issued and outstanding	172,952,856,500	185,952,856,500
No. of shares held by the public	96,591,576,840*	104,591,576,840**
Public Float	55.849%*	56.246%

\* As of 30 June 2013

\*\* The 5,000,000,000 common shares to be issued to Three Star Capital Limited will be indirectly owned by Mr. Antonio L. Tiu as the controlling shareholder thereof; hence, these shares were not included in the no. of shares held by the public after the transaction.

e.4) *Foreign ownership level\**

	Before	After
No. of shares issued and outstanding	172,952,856,500	185,952,856,500
No. of foreign-owned shares	63,429,226,520**	68,429,226,520***
Foreign ownership level	30.892%**	36.799%

\*The Company is not subject to any foreign ownership limit.

\*\*As of 31 July 2013

\*\*\*Only Three Star Capital Limited is a foreign subscriber.

*f.) Any other information necessary to enable an investor to make an informed investment decision.*

None.

We trust that you will find the same in order.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jennifer T. Ong". The signature is written in a cursive, flowing style.

**JENNIFER T. ONG**  
Alternate Corporate Information Office