

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 18, 2025
 2. SEC Identification Number
36359
 3. BIR Tax Identification No.
000-438-702-000
 4. Exact name of issuer as specified in its charter
BASIC ENERGY CORPORATION
 5. Province, country or other jurisdiction of incorporation
MANDALUYONG CITY
 6. Industry Classification Code (SEC Use Only)
 7. Address of principal office
GM Building, Florida St., Barangay Wack-Wack, Greenhills East, Mandaluyong City
Postal Code
1556
 8. Issuer's telephone number, including area code
(+63) 7917-8118
 9. Former name or former address, if changed since last report
UB 111 Paseo de Roxas Bldg., Paseo de Roxas Avenue, Legaspi Village, Makati City
 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 | 14,668,643,064 |
11. Indicate the item numbers reported herein
Item No. 9

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



Basic Energy Corporation BSC

PSE Disclosure Form 4-22 - Joint Ventures References: SRC Rule 17 (SEC Form 17-C) and Section 4.4 of the Revised Disclosure Rules

Subject of the Disclosure

Execution of Joint Development Shareholders Agreement (JDSHA) Between Basic Energy Corporation and RENOVA Inc.; subsequent subscription and/or transfer of 10 million (10,000,000) common shares in Mabini Energy Corporation to RENOVA Inc. at a par value of Php 1.0/share

AMENDMENT/UPDATE 07.02.2025 - transactional development; cross sale

AMENDMENT/UPDATE 18.02.2025 - transactional development; JDSHA closing event

(for amendment/update details please refer to below portions of disclosure)

Background/Description of the Disclosure

On April 17, 2024, Basic Energy Corporation ("BSC"; "the Company") entered into a Joint Development Shareholders Agreement (JDSHA) with RENOVA Inc. ("RENOVA") which effectively establishes the agreement to form a Joint Venture partnership between the aforementioned companies at the level of BSC's subsidiary – Mabini Energy Corporation (MEC) at a 50:50 equity ratio.

The implementation of the JDSHA will entail the transfer a portion of MEC shares currently owned by BSC to RENOVA in order for the latter to enter MEC as a 50% shareholder. After which event, the BSC and RENOVA will be deemed Joint Venture partners in MEC and shall jointly develop the Mabini Wind Energy Project.

AMENDMENT/UPDATE 07.02.2025 - transactional development - cross-sale of BSC shares between Basic Energy subsidiaries - as part of finalization of the JDSHA. Refer to Other Relevant Information portion of this disclosure for details.

AMENDMENT/UPDATE 18.02.2025 - transactional development; JDSHA closing event; Basic Energy Corporation and RENOVA Inc., successfully held the closing event of its JDSHA on 14.02.2025 (as disclosed in Company Disclosure C00870-2025) The closing follows Basic's fulfillment of the conditions precedent outlined in the JDSHA, with certain items transitioning to conditions subsequent as mutually agreed by the partners. Minor amendments to the JDSHA have been implemented to further clarify the equity allocation between Basic and RENOVA in RWECC. As a result of the closing, RENOVA officially becomes a partner in RWECC.

Date of Approval by Board of Directors	Apr 15, 2024
Date of Approval by Stockholders, if applicable	N/A

Description and nature of the transaction including the timetable for implementation, and related regulatory requirements

Compliance of the Conditions Precedent is expected to be done on or before eight (8) months from execution date of JDSHA (April 17, 2024) or December 18, 2024; and transfer of shares from BSC to RENOVA is set to be done on the set Closing Date – December 18, 2024. Regulatory requirements include, securing of E-Certificate Authorizing Registration for the transfer of shares, MEC updating its Certificate of Registration issued by the Bureau of Internal Revenue to reflect changes in the current principal office address, and BSC complying with reportorial or other requirements within anti-money laundering regulations.

AMENDMENT/UPDATE 05.02.2025 - both groups are working hard to complete and close on or before the end of the month of February 2025.

AMENDMENT/UPDATE 18.02.2025 - transactional development; JDSHA closing event; Basic Energy Corporation and RENOVA Inc., successfully held the closing event of its JDSHA on 14.02.2025 (as disclosed in Company Disclosure C00870-2025) The closing follows Basic's fulfillment of the conditions precedent outlined in the JDSHA, with certain items transitioning to conditions subsequent as mutually agreed by the partners. Minor amendments to the JDSHA have been implemented to further clarify the equity allocation between Basic and RENOVA in RWEK. As a result of the closing, RENOVA officially becomes a partner in RWEK.

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

The partnership with RENOVA is seen as a necessary step toward realizing the fulfilment of the Mabini Wind Energy Project. RENOVA brings with it its years of expertise and knowledge base in the development of renewable energy projects.

With this partnership, the investment cost is also evenly distributed among the shareholder-investors and preparing the project's foundation for the future developments when construction and implementation is expected to transpire.

BSC as the proponent of the Mabini Wind Power Project will be paid by RENOVA a development premium of USD150,000/MW, subject to RENOVA's achieving a target Equity IRR of 15%. Development premium. The Development Premium will be payable as follows:

- (i) 10% at Closing Date;
- (ii) 10% upon achieving agreed milestones;
- (iii) 40% at Financial Close Date; and,
- (iv) 40% at Commercial Operation Date.

At an initial target capacity of 50MW, BSC is expected to receive a total development premium of USD7.5 million for its 50% interest in the Mabini Wind Power Project.

Terms and conditions of the joint venture

Amount of investment and/or interest by the parties involved

RENOVA will acquire BSC's 50% interest in Mabini Energy Corporation ("MEC"). The purchase price for RENOVA's acquisition of BSC's 50% interest in MEC will be equal to 50% of the prior costs plus a prior cost premium of 10% p.a. less the amount of outstanding advances by BSC to MEC as of the Closing Date.

As of 29 February 2024, total prior cost is at Php34,049,857.01 with prior costs premium calculated at Php3,980,417.75. Estimated development cost to be incurred prior to Closing date is estimated at around Php50 million. Final amount of prior costs, prior costs premium and advances will be updated and agreed to by both parties 10-business days prior to Closing Date.

Further development of the Mabini Wind Power Project to bring it to RTB stage is estimated at USD3.8 million which costs will be shared by RENOVA and BSC equal to their shareholding interests in MEC.

Budget for the construction of the Mabini Wind Power Project will be determined and agreed to by both parties at Financial Close Date and is envisioned to be funded via debt and equity with a target DE ratio of 70:30. Equity portion of the funds for construction will be shared in accordance with the shareholding interest of each party. As of this date, total project cost is estimated to around Php5 billion.

Provisions on profit-sharing, arrangements on management and operations

BSC and RENOVA will have 49% and 51% common (voting) shares, respectively , with BSC being issued additional 2% non-voting preferred shares in MEC to achieve a 50:50 economic/equity sharing of the Parties.

Renova will be entitled to nominate three (3) directors, while BSC will nominate two (2) directors. Furthermore, RENOVA shall have the right to nominate the President and Assistant Treasurer to MEC, while BSC has the right to nominate the Chairman, Treasurer, and Corporate Secretary to MEC. Lastly, the management of the Project shall consist of Officers and other employees appointed from persons nominated by the President.

(for further illustration and explanation please refer to attached narrative on the matter)

Conditions precedent to closing of transaction, if any

The share reclassification (a portion of the issued and/or unissued shares of MEC being reclassified into non-voting preferred shares and issued to BSC to effectuate the 50:50 economic/equity share of the Parties) should have been completed as of closing.

The Corporation's authorized capital stock will be divided into two types of shares: Common Shares and Preferred Shares. Preferred Shares have no voting rights, are redeemable at the Corporation's discretion, and are non-convertible to Common Shares. Upon redemption, they are retired by the Corporation. Holders of Preferred Shares have pre-emptive rights only for additional issuance of new Preferred Shares based on their proportionate shareholding percentage, but not for any other class of shares.

Other salient features of the joint venture agreement

none

Identity and/or corporate background of the parties to the transaction, including the following

Name	Nature of Business	Nature of any material relationship with the Issuer and the parties to the joint venture, their directors/officers or any of their affiliates
RDG Wind Energy Corporation (formerly Mabini Energy Corporation)	Special Purpose Vehicle for Mabini Wind Energy Project	100% owned subsidiary of BSC; JV Company where BSC and RENOVA will be partners at 50-50 equity
RENOVA Inc.	Renewable Energy Development	n/a
Basic Energy Corporation	Renewable Energy Development	Issuer; current parent company of Mabini Energy Corporation

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

While the Joint Venture between BSC and RENOVA does not materially affect the business and operations of Issuer (BSC) itself since the level of the Joint Venture partnership is at BSC's subsidiary – Mabini Energy Corporation – the partnership is deemed an integral step to continue the development of the Mabini Wind Energy Project and seeing it to actual fruition. In terms of BSC's financial condition, an income is expected as natural when BSC sells its shares in MEC to RENOVA when it enters MEC to attain the agreed equity share ration indicated in the JDSHA.

Other Relevant Information

AMENDMENT/UPDATE 07.02.2025 - Basic Energy Corporation announces the cross-sale of BSC shares held by its wholly owned subsidiary, RDG Wind Energy Corporation ("RWECC"; formerly Mabini Wind Energy Corporation), to another wholly owned subsidiary – Basic Diversified Industrial Holdings Inc.

AMENDMENT/UPDATE 18.02.2025 - transactional development; JDSHA closing event; Basic Energy Corporation and RENOVA Inc., successfully held the closing event of its JDSHA on 14.02.2025 (as disclosed in Company Disclosure C00870-2025) The closing follows Basic's fulfillment of the conditions precedent outlined in the JDSHA, with certain items transitioning to conditions subsequent as mutually agreed by the partners. Minor amendments to the JDSHA have been implemented to further clarify the equity allocation between Basic and RENOVA in RWECC. As a result of the closing, RENOVA officially becomes a partner in RWECC.

This transaction is part of the preparations for the finalization of the Joint Development and Shareholders Agreement (JDSHA) signed between Basic Energy Corporation and RENOVA on April 17, 2024, as disclosed in Company Disclosures Nos. C02210-2024 and C02291-2024.

The sale represents a key milestone in the ongoing partnership between Basic Energy and RENOVA in relation to the Mabini Wind Energy Project. This project recently completed its Wind Resource Assessment (WRA), yielding positive results regarding the site's wind conditions.

Additional updates on this matter will be provided as developments occur.

Filed on behalf by:

Name	Dominique Pascua
Designation	Compliance Officer