

ATN HOLDINGS, INC.

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April 8, 2019

MS. ALEXANDRA D. TOM WONG
DISCLOSURE DEPARTMENT
PHILIPPINE STOCK EXCHANGE, INC.
4/F PSE Center, Exchange Road, Pasig City

Dear Ms. Wong,

We reply to the query of the Exchange on the following previous disclosures of the Corporation, to wit:

1. Special Board of Directors' Meeting held on March 1, 2019, which approved, among others, the five (5)-year land development contract/agreement between ATN and Alpha Rock Mining Corporation ("Alpha Rock Mining") for the development of the Company's private property in Rodriguez, Rizal;
2. Special Board of Directors' Meeting held on March 27, 2019, which approved, among others, the Company's investment of Php 2 Billion in new manufacturing ventures of concrete products at ATN Rodriguez Project site, including but not limited to:
 - a. turnkey plant purchase; or
 - b. form a Joint Venture on a new pre-cast concrete manufacturing facility with supplier Sumitomo to supply Sumitomo Group infrastructure projects that started on February 2019;

On the Exchange queries regarding the AlphaRock Agreement:

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

The development contract with AlphaRock calls for a 5-year extraction of excess rocks in the ATN project site for a total estimated volume of 12 million tons.

2. Any agreement/s signed by the Company that will generate the Php 12 billion revenue projection;

Based on the production agreement (land development agreement) executed with AlphaRock, the volume of rocks is committed by AlphaRock to ATN, and based on the projected aggregate price of P1,000 average for the next five years, P12 billion revenue will be generated by ATN. Please see table discussed in the disclosure to PSE of the minutes of Board Meeting on March 1, 2019. This table was provided in reply to PSE query. We disclosed to the PSE the uncertainties affecting forward looking statements: Production volume can be affected by (a) adverse weather conditions,

(b) contractual default by AlphaRock, (c) changes in political climate, and (d) slowdown in the Build, Build, Build Program expenditures, (e) projected revenues are still subject to the results of the PMRC-compliant technical report.

3. Terms and conditions of the transaction including the amount of investment and/or interest by the parties involved, provisions on profit-sharing, arrangements on management and operations, if applicable;

The contract with AlphaRock is a simple delivery of rocks extracted from the rough terrain of project site at a fixed rate of P152 per cubic meter or P95 per ton, to be paid by ATN on rocks delivered to ATN crusher plant. It does not involve any profit-sharing, arrangements on management, etc.

4. Identity and/or corporate background of the parties involved in the transactions;

AlphaRock has a 30-year experience as operator in many quarry sites. AlphaRock has been Vulcan Mining's operator for 20 years. The concession site of Vulcan is mined out and AlphaRock transferred their heavy equipment assets to ATN project site.

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

Projected revenue of P12 billion in the next five years vs. payment to AlphaRock of P1.14 billion, or a net revenue of P10.86 billion produces great impact to ATN profitability.

On the Exchange queries regarding possible JV with Sumitomo

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

The disclosure simply asks for P2 billion investment authorization from ATN Board to pursue wide ranging technical and engineering discussions with Sumitomo, and other foreign parties on manufacturing of pre-cast concrete products and its economic scale of operations vs. Philippine market potential. No agreement has transpired yet, and therefore there is no transaction. ATN project idea is to acquire a turnkey pre-cast concrete plant to be located in a 50-hectare area inside the 256-hectare ATN project site.

2. Source/s of funds;

ATN cash equity of 30% and 10-year long term loan financing of 70%. Equity can be sourced from (1) retained earnings from aggregate sales, (2) proceeds from private placement of equity investors and (3) Joint Venture partner.

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

Given limited expert labor, limited space in project construction sites, limited time of project execution, logistical nightmare, and strict quality requirements, pre-cast concrete is a VITAL INDUSTRY in the Build, Build, Build program of government. ATN has started project feasibility study on pre-cast concrete manufacturing via trips to China and other countries that can provide the right technology transfer.

4. Parties are still discussing on the possible cooperation with Sumitomo and supply of pre-cast plant

Thank you and best regards.

Very truly yours,



PAUL B. SARIA

Corporate Information Officer