

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)

Sep 13, 2016

2. SEC Identification Number

A199911666

3. BIR Tax Identification No.

005-712-797-000

4. Exact name of issuer as specified in its charter

Calata Corporation

5. Province, country or other jurisdiction of incorporation

Philippines

6. Industry Classification Code(SEC Use Only)

7. Address of principal office

McArthur Highway, Banga 1st, Plaridel, Bulacan
Postal Code
3004

8. Issuer's telephone number, including area code

(044) 795 0136

9. Former name or former address, if changed since last report

Not Applicable

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	403,006,240

11. Indicate the item numbers reported herein

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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 the Corporate Information Officer of the disclosing party.

Calata Corporation

CAL

PSE Disclosure Form 4-32 - Reply to Exchange's Query

Subject of the Disclosure

Reply to PSE Query on the Prospective Issuance of Shares via Conversion of Advances into Equity

Description of the Disclosure

Reply to PSE Query on the Prospective Issuance of Shares via Conversion of Advances into Equity

Information Requested

Please see attached.

Filed on behalf by:

Name	Jose Marie Fabella
Designation	Corporate Secretary/Corporate Information Officer

Subject of the Disclosure

Reply to PSE Query on the Prospective Issuance of Shares via Conversion of Advances into Equity

Background/Description of the Disclosure

The disclosure addresses additional query of the Exchange on the proposed transaction on the issuance of Calata Corporation (CAL) common shares via conversion of cash advanced/invested by Sino to CAL into equity.

Date of Approval by Board of Directors

August 22, 2016

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

The proposed transaction refers to the issuance of Calata Corporation (CAL) common shares via conversion of cash advanced/invested by Sino to CAL into equity.

As previously disclosed Sino shall be investing into CAL via cash advance in the amount of Php234,000,000.00 (USD 5,027,932.96¹) which shall then be invested by CAL into its majority-owned corporate vehicle to be part of the purchase price that will be paid for the acquisition of the land to be leased to the Macau Leisure City (MLC).

In consideration of the cash advanced by Sino having an economic benefit to CAL, the latter shall allow Sino to convert said advance of Php234,000,000.00 (USD 5,027,932.96²) to CAL primary common shares at a conversion rate of Php3.60 per share. However, said conversion shall only take place within thirty (30) calendar days from the completion of certain conditions which essentially include both the acquisition of the land and the execution the lease agreement between CAL's corporate vehicle and MLC.

Finally, the conversion shall be subject to compliance with all corporate and regulatory approvals.

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

CAL has agreed for Sino to invest/advance Php234,000,000.00 (USD 5,027,932.96³) in order for said investment to be included to what is needed to be paid for the acquisition of the land which shall be leased to MLC.

For this purpose, the participation of CAL shall be exclusive to owning and leasing the land to be acquired through its majority-owned subsidiary Calata Land Incorporated which is planned to become a Real Estate Investment Trust (REIT). With respect to the MLC, the gaming or casino operation shall be exclusive to RiskWise, Sino and MRG and any partner they may take for this venture.

Substantial economic benefit for CAL is expected once the Lease Agreement between with MLC is entered into as CAL shall be entitled to the following:

¹ Based on the latest foreign exchange rate of Php46.54 per USD 1.00

² Based on the latest foreign exchange rate of Php46.54 per USD 1.00

³ Based on the latest foreign exchange rate of Php46.54 per USD 1.00

- i. Two million United States Dollars (\$2,000,000) or the equivalent in Philippine Peso, in annual rent, payable twice each year with first payment due forty-two (42) months from the commencement of the Project, but not later than March 2021; OR
- ii. One and a half percent (1.5%) of EBITDA of the operating company of the MLC.

Furthermore, the convertibility of said investment/advance was allowed in order to attract Sino into making said investment/advance as it is expected that the value of CAL, including the price of its stock, shall increase due to (a) the acquisition of a high value land and (b) expectation of substantial profit from the lease of said land to MLC.

The aggregate value of the consideration, explaining how this is to be satisfied, including the terms of any agreements for payment on a deferred basis

Sino shall be investing/advancing Php234,000,000.00 (USD 5,027,932.96⁴) in cash into CAL which upon conversion into equity at a conversion rate of Php 3.60 per share, shall result in the issuance of 65,000,000 CAL common shares. The infusion of funds is expected to commence by the third week of September 2016 and be completed by January 2017.

The basis upon which the consideration or the issue value was determined

The issue/conversion price of Php3.60 per share was determined by giving a premium of around 30% from the closing price of CAL in the immediately preceding trading day⁵ prior to the day of signing the agreement. This was a negotiated price which was mutually agreed upon by all the parties.

Detailed work program of the application of proceeds, the corresponding timetable of disbursements and status of each project included in the work program. For debt retirement application, state which projects were financed by debt being retired, the project cost, amount of project financed by debt and financing sources for the remaining cost of the project

All the proceeds from this investment/advance shall form part of the purchase price of the land which is expected to be fully paid by January 2017.

Identity and/or corporate background of the beneficial owners of the shares subscribed, including the following

Beneficial Owners/Subscribers	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
Sino-America Gaming Investment Group, LLC	Investment company forms strategic relationships with platform and game developers, licensing and distribution channels, and mobile and land-based operators in the leisure and casino gaming markets worldwide	None

⁴ Based on the latest foreign exchange rate of Php46.54 per USD 1.00

⁵ The closing price of CAL shares last August 19, 2016 (Friday) was at Php2.74 per share.

Organizational/Ownership Structure of Subscribers

Beneficial Owners/Subscribers	Controlling Shareholders of Subscribers	Number of Shares Held	%
Sino-America Gaming Investment Group, LLC	Michael I. Foxman	1,000	100%

For subscribers with no track record or with no operating history: the Subscriber must present a statement of active business pursuits and objectives which details the step undertaken and proposed to be undertaken by the Issuer in order to advance its business. Projected financial statements shall only be required should there be references made in the Statement to forecasts or targets

The parties shall establish and incorporate Calata Land Incorporated (CLI) which shall be involved in land banking and management activities, the first acquisition of which is the land which will be leased to the MLC. As previously disclosed, CLI shall be a subsidiary of Calata Corporation which shall own 51% therein.

The interest which directors of the parties to the transaction have in the proposed

None of the directors of CAL have an interest in the proposed conversion of advances of Sino into CAL common shares. Macau Resources Group Limited's major shareholder Sino-America Gaming Investment Group, LLC and Riskwise Global Capital Group, LLC is 100% owned by Michael I. Foxman.

Statement as to the steps to be taken, if any, to safeguard the interests of any independent shareholders

In order to safeguard the interests of CAL's independent shareholders, CAL shall conduct an annual stockholders' meeting in order to secure all the necessary corporate approvals needed in compliance with existing laws as well as rules and regulations of the appropriate government agencies. at government agencies.

Any conditions precedent to closing of the transaction

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Change(s) in the composition of the Board of Directors and Management

None.

EFFECTS ON THE FOLLOWING

Ownership structure

Principal Shareholders	Before		After	
	Number of Shares	%	Number of Shares	%
	263,446,378 ⁶	65.37	263,446,378 ⁷	56.26

CAPITAL STRUCTURE

⁶ Based on the Company's Public Ownership Report as of June 30, 2016.

⁷ Based on the Company's Public Ownership Report as of June 30, 2016.

Issued Shares

Type of Security /Stock Symbol	Before	After
Common/CAL	403,291,240	468,291,240

Outstanding Shares

Type of Security /Stock Symbol	Before	After
Common/CAL	403,006,240	468,006,240

Treasury Shares

Type of Security /Stock Symbol	Before	After
Common/CAL	285,000	285,000

Listed Shares

Type of Security /Stock Symbol	Before	After
Common/CAL	403,291,240	468,291,240

Effect(s) on the public float, if any

Type of Security /Stock Symbol	Before		After	
	Shares	%	Shares	%
Common/CAL	115,087,850 ⁸	28.56	115,087,850	24.58

Effect(s) on foreign ownership level, if any

Type of Security /Stock Symbol	Before		After	
	Shares	%	Shares	%
Common/CAL	3,249,238 ⁹	0.81	68,249,238	14.6

Other Relevant Information

The Company undertakes to submit all relevant agreements pertaining to the proposed transaction as well as the highlighted financial statements of Sino-America Gaming Investment Group, LLC immediately upon their execution/availability.

⁸ Based on the Company's Public Ownership Report as of June 30, 2016.

⁹ Based on the Company's Foreign Ownership Report as of September 2, 2016.