

SPNEC SRO FREQUENTLY ASKED QUESTIONS

***Note:** The answers below are from the Prospectus for the Stock Rights Offering (“SRO”). Please refer to the Prospectus for a more detailed discussion.

▪ **Who can participate in the Stock Rights Offer (SRO) of SPNEC?**

All shareholders of record date of 25 August 2022 can participate in the SRO.

▪ **How can I confirm if I am a shareholder of record?**

If you are in possession of a physical stock certificate covering the shares you own in SPNEC, kindly call our Stock Transfer Agent, which is the Trust Banking Group of the Philippine National Bank (“PNB Trust”). Their contact details are as follows:

PHILIPPINE NATIONAL BANK
Trust Banking Group
3rd Floor, PNB Financial Center,
Pres. Diosdado Macapagal Boulevard, Pasay City
Tel. No. (632) 8526-3131 loc. 2307
Stockholder Relations Officer: Ms. Joanna Marie L. Aviles
Email: avilesjml@pnb.com.ph

If the shares you own were purchased through a broker (i.e., you do not hold a physical copy of your share certificate), please get in touch with your broker.

▪ **I’m not yet a shareholder of SPNEC. Can I still participate in the SRO?**

If you do not yet own shares in SPNEC but would like to participate in the SRO, you can do so by purchasing SPNEC shares by **19 August 2022** at the latest. Any purchase of SPNEC shares beyond this date will not qualify you to participate in the SRO.

▪ **I am told that Qualified Buyers can subscribe to unsubscribed Rights Shares after the second round of the SRO. Who are these Qualified Buyers?**

The following are considered Qualified Buyers:

1. Banks;
2. Registered investment houses;
3. Insurance companies;
4. Pension funds or retirement plans maintained by the Government of the Republic of the Philippines or any political subdivision thereof or managed by a bank or other persons authorized by the Bangko Sentral ng Pilipinas to engage in trust functions;
5. Investment companies; and
6. Such other persons as the Securities and Exchange Commission may by rule determine as qualified buyers based on such factors as financial sophistication, net worth, knowledge, and experience in financial and business matters, or amount of assets under management.

▪ **I am an Eligible Shareholder or Qualified Buyer. How do I participate and what documents do I need to provide?**

If the shares you own were purchased through a broker, then please inform your broker of your intention to participate in the SRO and of how much you want to purchase against your entitlements.

To participate, you must submit the following documents:

1. For Individuals or Corporations or Partnerships (Eligible Shareholders) who own shares purchased through a broker:

Kindly get in touch with your respective brokers for the required documents as they may have their own processes.

2. For Individuals (Certificated Eligible Shareholder/Individual Qualified Buyer applicants):

- a) A duly accomplished Application to Purchase (“ATP”). A submitted ATP, however, does not guarantee allocation of the Rights Shares. This is still for the approval of regulators.
- b) Two duly executed signature cards.
- c) A photocopy of one valid government-issued ID: UMID, SSS, GSIS, Driver’s License, Passport, PhilHealth, Postal, Professional Regulation Commission ID, Integrated Bar of the Philippines ID, or Philippine Identification Card (PhilID).
- d) Proof of payment (i.e., copy of the validated PNB Bills Payment for over-the-counter payments or screenshot of the payment confirmation for PNB Mobile Banking payments).

If you are out of the country, you can submit these documentary requirements via email to PNB Trust. Please note that for the application to be valid, the emailed documents must be (1) accompanied by an apostilled¹ (of apostilled member country) or consularized Affidavit of Undertaking to Submit Original Copies of the Documents, and (2) submitted in original physical form to PNB Trust within 15 calendar days after you emailed the documents. Kindly see the information above for their contact details.

3. For Corporations, Partnerships, or Trust Accounts (Certificated Eligible Shareholder applicants or Qualified Buyer applicants):

- a) A duly accomplished ATP executed by the authorized signatory of the Eligible Shareholder applicant or Qualified Buyer applicant. Please note that the ATP is still for approval of regulators.
- b) Two completed signature cards, which should be authenticated by the corporate secretary or equivalent corporate officer (or managing partner in the case of a partnership).
- c) A certified true copy of the Articles of Incorporation and By-Laws of the Eligible Shareholder applicant or Qualified Buyer applicant, or the equivalent charter documents applicable for such institutional applicant, duly certified by its corporate secretary or its equivalent authorized officer.

¹ a certificate issued by a country that is party to the Apostille Convention that authenticates the origin of a public document)

- d) A certified true copy of the SEC Certificate of Registration or its equivalent document of the Eligible Shareholder applicant or Qualified Buyer applicant, issued by the relevant regulating authority in the jurisdiction where the Applicant is a resident, duly certified by its corporate secretary or equivalent corporate officer (or managing partner in the case of a partnership).
- e) A duly notarized certificate of the Eligible Shareholder applicant's or Qualified Buyer applicant's corporate secretary (or certificate of the managing partner in case of partnership) that sets out: (i) the resolutions of the Applicant's Board of Directors or equivalent body authorizing the subscription/purchase of the Rights Shares indicated in the ATP and designating signatory(ies) for the purpose; (ii) the specimen signature(s) of such designated signatory(ies); and (iii) certifying to the percentage of the Eligible Shareholder applicant's or Qualified Buyer applicant's capital or capital stock held by Philippine nationals.
- f) The proof of payment – copy of the validated PNB Bills Payment for over-the-counter payments or screenshot of the payment confirmation for PNB Mobile Banking payments.

For Applicants abroad who are submitting the ATP and other documents through email, an apostilled (of apostilled member country) or consularized Affidavit of Undertaking to Submit Original Copies of the Documents within 15 calendar days from the submission of the e-mail of the scanned copies must accompany the ATP and other documents filed via email.

When is the application and payment deadline?

1. For Eligible Shareholder Applicants

Generally, applications with relevant documents must be submitted no later than 12:00 noon of 5 September 2022 and the full payment must be made by 11:00 a.m. on the same date.

If the shares you own were purchased through a broker, then please get in touch with your broker for assistance. They may have their own internal processes and deadlines.

For certificated Eligible Shareholders, the required documents should be submitted no later than 12:00 noon of 5 September 2022 to PNB Trust. If you plan to pay using a personal, corporate, or manager's/cashier's check, the deadline for full payment is an hour earlier or by 11:00 a.m. on 5 September 2022 through PNB Bills Payment. Meanwhile, the deadline for cash payments is at 12:00 noon on the same day.

2. For Qualified Buyer Applicants

The duly executed ATP for the QB Take-Up and required documents should be submitted not later than 12:00 noon of the second Trading Day after 5 September 2022 to the relevant Underwriter, provided that if payment is made through a personal, corporate, or manager's/ cashier's check, the payment must be made on or before 11:00 a.m. on the second Trading Day after 5 September 2022. Meanwhile, the deadline for cash payments is at 12:00 noon on the same day.

- **How many shares can an Eligible Shareholder and Qualified Buyer purchase?**

Each Eligible Shareholder is entitled to subscribe to a number of Rights Shares after applying the Rights Entitlement Ratio (one Right Share for every 1.28 common share owned). The resulting figure is called “Entitlement Shares” and they are reserved for you to buy during the first round.

You can compute your Entitlement Shares by dividing the number of shares that you own by the Rights Entitlement Ratio rounded down to the nearest whole number. For example, if you own 1,000 shares as of 25 August 2022, then you are entitled to 781 additional shares from the SRO.

You must apply to subscribe for at least one (1) Rights Share. You are allowed to subscribe for more than your Entitlement Shares.

If you subscribed for more than your Entitlement Shares, then you will first be allocated for the number of your Entitlement Shares. If, after the first round, there are remaining shares unsubscribed, you may be allocated the number of shares you subscribed above the Entitlement Shares first allocated.

Note that subscriptions beyond your Entitlement Shares can only be fulfilled if other Eligible Shareholders do not fully subscribe to their Entitlement Shares. There is no guarantee whether the oversubscriptions will be partially or fully fulfilled in the Second Round.

Qualified Buyers must apply to subscribe for at least [1,000] Rights Shares.

- **What are my payment options?**

You, as an Eligible Shareholder and Qualified Buyer applicant, may choose one (1) of two (2) payment options below (by ticking the appropriate box in the ATP):

- a. Option 1 – **Full payment** of the Total Subscription Price (i.e. payment for both the Entitlement Shares and oversubscription, if any).
- b. Option 2 – **Installment payment**, with a **down payment of 25%** of the Total Subscription Price upon submission of the ATP and the **balance of 75%** to be paid in full one time directly to SPNEC or its nominee **within three months** from end of Offer Period [from 6 September 2022 to 5 December 2022] or within three (3) months from the end of the QB Take-Up for Qualified Buyers.

For Option 2, in case of any non-payment of the balance on the relevant due date, SPNEC may, at its sole discretion, extend the payment period for the partially paid Rights Shares prior to declaring them delinquent for a non-extendible period of three (3) months from the end of the initial installment period.

If the shares you own were purchased through a broker, then please get in touch with your broker for assistance. They may have their own internal processes and deadlines.

- **How do I settle and pay?**

If the shares you own were purchased through a broker, then please get in touch with your broker for payment options. Otherwise, payments shall be in the form of bills payment, as follows:

- a. *Over-the-counter payment through PNB Bills Payment* in the name of “SPNEC SRO” at any operating PNB branch through the following payment types:
 - i. Cash; or
 - ii. Personal, corporate, or manager’s/cashier’s check drawn against an account with a BSP-authorized bank at any of its branches located in Metro Manila. Only checks with clearing periods of no more than one (1) Banking Day will be accepted. All checks should be made payable to “SPNEC SRO,” crossed “Payee’s Account Only,” and dated the same date as the ATP.

The image shows a PNB Payment Slip form. At the top left is the PNB logo. The form includes a 'REFERENCE NO.' field with the value 'XXXXXXXX'. Below this, there are checkboxes for 'PESOS BILLING' (checked) and 'DOLLAR BILLING'. A 'Payment Date' field is present. The 'NAME OF APPLICANT/SUBSCRIBER' field contains 'SPNEC SRO'. A white box highlights the 'REFERENCE NUMBER' field, with an arrow pointing to the explanatory text on the right. Below the name field, there are 'MODE OF PAYMENT' options: 'CASH', 'CHECK', and 'DEBIT ACCOUNT'. A table with columns 'BANK BRANCH', 'CHECK NUMBER', 'AMOUNT', and 'STATUS' is visible. At the bottom, there is a signature line for the 'ACCOUNT HOLDER'S SIGNATURE' and a 'PAYMENT SLIP' label.

The Reference Number will be provided in the Notice to the Eligible Shareholder included in the Eligible Shareholder packets to be sent out on the Record Date.

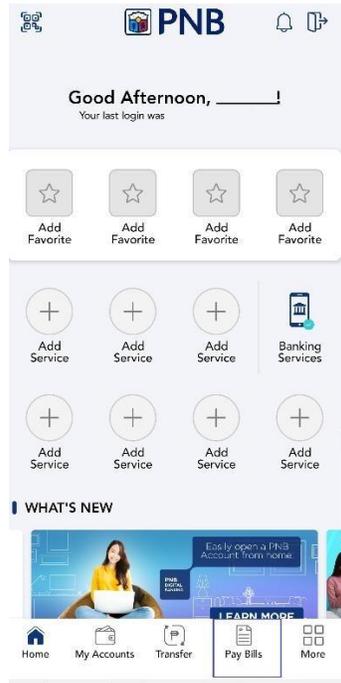
Update payment details

Sign here

- b. Online payment through PNB Bills Payment, with “SPNEC SRO” as the merchant through the PNB Mobile Banking App. The Eligible Shareholder applicant or Qualified Buyer applicant must enroll “SPNEC SRO” as a merchant in his/her/its PNB account.

Here are the steps:

1. After clicking the PNB Digital Banking, click on Pay Bill.



2. Under Pay Bills, add “SPNEC SRO” as Merchant.
3. Enter the Reference Number. Note that the Reference Number will be provided in the Notice to the Eligible Shareholder included in the Eligible Shareholder packets to be sent out on the Record Date.
4. Enter the Amount to be paid.
5. Enter the Name of Trading Participant in the Remarks.

6. Click "Continue."
7. Proceed with payment by clicking "Confirm."

Qualified Buyers participating in the QB Take-Up may make separate arrangements with the Underwriters for alternative means of payment.

All payments must be made in **Philippine Pesos**.

All bank charges, remittance fees, and all relative charges and fees shall be for the account of the Applicant.

- **What happens in case an Application to Purchase (ATP) is rejected or scaled down?**

Refunds for payments to any ATP that has been rejected or scaled down shall be made, without interest, through check payable to the relevant Applicant, starting on the 5th [Banking](#) Day after the Offer Period or QB Take-Up, as applicable, in the amount corresponding to the number of Rights Shares not issued to such Applicant.

You may pick-up the refund check, when available, from the office of PNB Trust at the 3rd Floor, PNB Financial Center, President Diosdado Macapagal Boulevard, Pasay City, Philippines. Refund checks that remain unclaimed after 30 calendar days from the date such checks are made available for pick-up shall be mailed, at the Applicant's risk, to the address of the Applicant indicated in the ATP form. All refunds shall be processed by and made through PNB Trust.

For those who submitted their applications through their brokers, please get in touch with your broker for the refunds procedure.

- **Can foreigners participate in the SRO?**

Residents of the United States cannot participate in the SRO. Otherwise, the Rights Shares may be purchased by any natural person of legal age, regardless of nationality, or any corporation, association, partnership, trust account, fund, or entity organized under the laws of the Republic of the Philippines and/or licensed to do business in the Philippines, regardless of nationality, subject to SPNEC's right to reject an ATP or reduce

the number of Rights Shares applied for subscription or purchase if it will cause a breach of foreign ownership limitations under Philippine law.

Eligible foreign investors interested in subscribing for or purchasing Rights Shares should inform themselves of the applicable legal requirements under the laws and regulations of the countries of their nationality, residence, or domicile, and as to any relevant tax or foreign exchange control laws and regulations affecting them personally. Foreign investors, both corporate and individual, warrant that their purchase of the Rights Shares will not violate the laws of their jurisdiction and that they are allowed to acquire, purchase, and hold the Rights Shares.

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