



**IMPORTANT NOTE:** These FAQs are derived from, and should be read in conjunction with, the full text of the Prospectus and the Procedures and Implementing Guidelines (the “Implementing Guidelines”), and are qualified in its entirety by the more detailed information contained therein. Investors are required to read and understand the Prospectus and all the terms and conditions relating to the issuance prior to making an investment decision to participate in the Rights Offer. In the event of any inconsistency with the terms set out herein, the Prospectus and the Implementing Guidelines will prevail.

### **What is a Stock Rights Offer?**

Stock Rights Offer (“SRO”) is a form of equity capital raising for a company wherein existing shareholders as of the record date are given the first opportunity to purchase newly issued shares in proportion to the existing shareholders’ original shareholding, prior to offering the same to other investors. The ex-date is the first day when the prospective investor is no longer entitled to exercise the right to participate in the SRO.

### **What are Detachable Warrants?**

A warrant is a type of security that entitles the holder to subscribe to a company’s shares in the future, exercisable within one (1) to five (5) years from its issuance. Meanwhile, a detachable warrant is one that may be “detached” or sold separately (in the secondary market) from the security it may have originally been issued with.

In the case of the Rights Offer, the Entitlement Rights is the security with which the Bonus Detachable Warrants are attached to. The Bonus Detachable Warrants shall be issued free of charge to the investor (hence, the term “*Bonus*”) and shall be issued as part of the subscription to the Entitlement Rights. The underlying security for the Bonus Detachable Warrants are the common shares of the Company that shall be issued upon the exercise of the Bonus Detachable Warrants.

### **Why does the Company need to raise capital?**

The net proceeds from the Rights Offer will be used by the Company to primarily finance the working capital of Quintel USA, Inc., Cirtek Electronics Corp. and Cirtek Advanced Technologies and Solutions, Inc., as well as to refinance the existing debt/payout short-term obligations of Cirtek Electronics Corp.

## How much is the Company raising?

The Company expects to raise Php1,371,933,596 in gross proceeds or Php1,353,121,096 in net proceeds from the Rights Offer.

## Irrevocable Undertaking by the Principal Shareholder, Camerton, Inc.

Camerton, Inc. (“**Camerton** or the “**Principal Shareholder**”), which holds or owns 29.10% of the total outstanding Common Shares of the Company as of April 30, 2021, has, pursuant to the Irrevocable Letter of Undertaking to Subscribe for Unsubscribed Entitlement Rights of the Company executed on June 28, 2021 (the “**Undertaking**”), irrevocably undertaken to subscribe to its Entitlement Rights in the initial round of the Rights Offer and to subscribe to the Additional Entitlement Rights in the mandatory second round of the Rights Offer under the same terms and conditions as any other Eligible Shareholder. In addition, the Principal Shareholder will also subscribe for any remaining Entitlement Rights unsubscribed in the mandatory second round of the Rights Offer to ensure that all the Entitlement Rights covered by the Rights Offer are fully subscribed.

## Summary of the Terms of the Rights Offer

### Summary Terms and Conditions of the Entitlement Rights

<b>Issuer</b>	Cirtek Holdings Philippines Corporation (“TECH” or the “Company”)
<b>Entitlement Rights</b>	Right to subscribe to 249,442,472 Common Shares of the Company with a par value of ₱1.00 per share (the “Entitlement Rights”).
<b>The Rights Offer</b>	The Company is offering the Entitlement Rights for subscription to Eligible Shareholders (“Rights Offer”). Every Eligible Shareholder availing of the Entitlement Rights shall be entitled to one Bonus Detachable Warrant for every one Entitlement Right subscribed
<b>Principal Shareholder Undertaking to Subscribe</b>	Camerton, Inc., which holds or owns 29.10% of the total outstanding Common Shares of the Company (the “Principal Shareholder”) as of April 30, 2021, pursuant to the Irrevocable Letter of Undertaking to Subscribe for Unsubscribed Entitlement Rights of the Company executed on June 28, 2021, has agreed to subscribe to its Entitlement Rights in the initial round of the Rights Offer and to subscribe to the Additional Entitlement Rights in the mandatory second round of the Rights Offer under the same terms and conditions as any other Eligible Shareholder. The Principal Shareholder’s subscriptions in the Rights Offer shall have no preference over the subscriptions of any other Eligible Shareholders. In addition, the Principal Shareholder will also subscribe for any remaining Entitlement Rights unsubscribed in the mandatory second round of the Rights Offer, to ensure that the Entitlement Rights under the Rights Offer are fully subscribed.
<b>Institutional Offer Shares</b>	The Additional Entitlement Rights that remain unsubscribed and are not taken up by the Principal Shareholder in the mandatory second round of the Rights Offer.

<b>Rights Offer Price</b>	The Rights Offer Price has been computed based on the volume-weighted average price (“VWAP”) of the Company’s Common Shares on the PSE of 60 consecutive trading days immediately prior to (and excluding) the Pricing Date, subject to a discount of 8.7%.
<b>Rights Offer Period</b>	The Rights Offer Period shall commence on July 12, 2021 at 9:00 a.m. (Manila time) and end on July 22, 2021 at 12:00 pm (noon) (Manila time). The Company and the Joint Issue Managers and Lead Underwriters reserve the right to extend or terminate the Rights Offer Period with the approval of the PSE.
<b>Minimum Subscription</b>	Each Application must be for a minimum of one Entitlement Right.
<b>Eligible Shareholders</b>	The Entitlement Rights are being offered to eligible holders of Common Shares as of the Record Date, consisting of: (i) holders located within the Philippines; or (ii) holders located in jurisdictions outside the Philippines and outside the United States where it is legal to participate in the Rights Offer under the laws of the applicable jurisdiction, in each case as of the Record Date. Each Foreign shareholder is urged to consult his/her/its independent professional adviser regarding the consequences of participating in the Rights Offer and to determine eligibility to subscribe to the Entitlement Rights.
<b>Rights Entitlement</b>	Each eligible holder of Common Shares is entitled to one Entitlement Right for every 1.68 Common Shares it holds as of the Record Date.
<b>Issuance, Listing and Trading</b>	<p>The Offer Shares will be issued upon the approval and issuance of the Certificate of Approval of Increase in Capital Stock and Certificate of Filing of Amended Articles of Incorporation by the SEC.</p> <p>Further to the approval of the PSE made on June 23, 2021, the Offer Shares are expected to be listed on the PSE on or about August 16, 2021. Trading is expected to commence on the same day as the relevant Offer Shares are listed on the PSE.</p>
<b>Documentary Stamp Tax</b>	All documentary stamp taxes applicable to the original issuance of the Offer Shares shall be for the sole account of the Company.

*\*For further reference, kindly refer to the PSE Listing Notice LN00134-2021: “Cirtek Holdings Philippines Corporation: Stock Rights Offering with Bonus Detachable Warrants – Final Terms and Conditions” for the full T&Cs.*

**Summary Terms and Conditions of the Bonus Detachable Warrants**

<b>Entitlement</b>	One Bonus Detachable Warrant for every one Entitlement Right
<b>Bonus Detachable Warrants</b>	249,442,472 bonus Detachable Warrants
<b>Underlying Shares</b>	249,442,472 Common shares
<b>Exercise Ratio</b>	One (1) common share for every one (1) Bonus Detachable Warrant held
<b>Warrants Offer Price</b>	<p>The Bonus Detachable Warrants shall be issued free charge and shall be issued as part of the subscription to the Entitlement Rights.</p> <p>The Exercise Price was determined through discussions between the Company and the Joint Issue Managers and Lead Underwriters. Among the factors considered in determining the Base Exercise Price were the prevailing market conditions, the Company's historical performance, the business potential and the ability to generate earnings and cash flow of the Company, and the prevailing market valuation of companies currently listed in the PSE engaged in comparable businesses. The Exercise Price may not have any correlation to the actual book value of the Offer Shares.</p>
<b>Warrants Exercise Period</b>	Exercisable during business hours within the first two (2) trading days of each month beginning on the 12th month until the 36th month from Issue Date.
<b>Warrants Exercise Price</b>	The Bonus Detachable Warrants may be exercised at the price of ₱5.50 per share, as may be adjusted in accordance with Exercise Price Adjustments below.
<b>Features of the Bonus Detachable Warrants</b>	Detachable warrants which may be sold or transferred by the Warrantholder separate from, and independent of the Entitlement Rights.
<b>Listing of the Bonus Detachable Warrants</b>	An application for listing of the Bonus Detachable Warrants and the Underlying Shares was filed with the PSE on May 12, 2021, in accordance with the PSE Listing Rules and is subject to PSE's approval. Subject to the approval of the PSE made on June 23, 2021, the Bonus Detachable Warrants are expected to be listed on the PSE on or about August 16, 2021. On Listing and Trading Date, the listing price of the Bonus Detachable Warrants will be ₱0.001 as it is being issued free of charge. The trading 32 band on the Bonus Detachable Warrants shall also be lifted on the Listing and Trading Date in order to allow market forces to determine the price of the security.
<b>Foreign Ownership Restriction</b>	The Company and its Subsidiaries are not engaged in activities which are subject to the application of foreign ownership restrictions in the Philippines.

<b>Registration and Lodgment with PDTC</b>	<p>The Offer Shares will be issued in scripless form.</p> <p>Applicant shall designate a Depository Participant whose depository account will be credited with the applicant's subscription to the Offer on the Listing Date. Applicants who do not have accounts with a Depository Participant may open an account with any member broker of the Philippine Stock Exchange (PSE).</p>
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*\*For further reference, kindly refer to the PSE Listing Notice LN00134-2021: "Cirtek Holdings Philippines Corporation: Stock Rights Offering with Bonus Detachable Warrants – Final Terms and Conditions" for the full T&Cs.*

## Key Dates

<b>Timetable</b>	
Pricing Date	June 25, 2021
Ex-Date	July 2, 2021
Record Date	July 7, 2021
Rights Offer Period	July 12, 2021 to July 22, 2021
Listing Date (Warrants and common shares arising from the Entitlement Rights)	August 16, 2021

## Frequently Asked Questions (FAQs)

### **What is the difference between the Ex-Date and the Record Date? Until when can I buy shares in the market to be considered eligible to subscribe to the Offer?**

The ex-date is the first day when the prospective investor is no longer entitled to exercise the right to participate in the SRO. The latest date that anyone can purchase Cirtek Holdings Philippines Corporation ("TECH") common shares on the PSE in order to be considered an Eligible Shareholder and subscribe to the Entitlement Rights is on July 1, 2021. Those who purchased said shares and hold them until July 2, 2021 (the Ex-Date) will be stockholders of record on July 7, 2021 (the Record Date). Persons who purchase shares on or after July 2, 2021, being the Ex-Rights Date or Ex-Date, will not qualify as Eligible Shareholders.

### **I am a current shareholder of TECH. When can I sell my shares and still be considered as an Eligible Shareholder for the SRO?**

Subject to the operations of PSE brokers and their settlement processes, we expect that Eligible Shareholders who sell their Shares on the PSE after July 1, 2021 will remain Eligible Shareholders for purposes of the Rights Offer and should be able to subscribe to Entitlement Rights.

### **When will the SRO Shares be received?**

The SRO Shares will be issued and will be tradable on Listing Date. The Listing Date is expected to be on or around August 16, 2021.

### **When will the Bonus Detachable Warrants be Received?**

The Bonus Detachable Warrants will be issued and will be tradable on the same Listing Date as the SRO shares. The Listing Date is expected to be on or around August 16, 2021.

### **How can shareholders inquire about their eligibility?**

Holders of lodged/scripless shares may inquire with their Depository Participants/Trading Participants /Brokers.

Holders of certificated shares: A letter/notice will be delivered to the Eligible Shareholder's registered address, together with the Shareholder kit, informing them of their eligibility starting July 5, 2021. The letter/notice is not required for submission for purposes of processing the application, but Eligible Shareholders are encouraged to bring the letter/notice as a reference document upon submission of their Application.

### **How many tranches/rounds are there in the SRO?**

The rounds are comprised of the First Round, Second Round, and the Principal Shareholder Undertaking.

<b>Tranches</b>	
First Round of the Rights Offer	The Rights Offer comprises the offer for subscription of 249,442,472 Entitlement Rights offered to Eligible Shareholders on a pre-emptive basis.
Second Round	<p>Any unsubscribed Entitlement Rights after the First Round of the Rights Offer ("Additional Entitlement Rights") shall be offered to Eligible Shareholders that exercised their rights in the First Round of the Rights Offer and had simultaneously signified their intention to subscribe to Additional Entitlement Rights</p> <p>Eligible Shareholders may opt to oversubscribe (i.e., order more Entitlement Rights than which they are entitled to) in the Second Round of the Rights Offer. If applications for Additional Entitlement Rights exceed the total number of Additional Entitlement Rights, the Company shall allocate all available Additional Entitlement Rights primarily in proportion to the respective shareholdings as of Record Date of applicants in the Second Round of the Rights Offer to the total shareholdings of all applicants to the Additional</p>

	Entitlement Rights
Principal Shareholder Undertaking to Subscribe	Camerton, Inc., which holds or owns 29.10% of the total outstanding Common Shares of the Company (the "Principal Shareholder") as of April 30, 2021, pursuant to the Irrevocable Letter of Undertaking to Subscribe for Unsubscribed Entitlement Rights, has agreed to subscribe to its Entitlement Rights in the initial round of the Rights Offer and to subscribe to the Additional Entitlement Rights in the mandatory second round of the Rights Offer under the same terms and conditions as any other Eligible Shareholder. The Principal Shareholder's subscriptions in the Rights Offer shall have no preference over the subscriptions of any other Eligible Shareholders. In addition, the Principal Shareholder will also subscribe for any remaining Entitlement Rights unsubscribed in the mandatory second round of the Rights Offer, to ensure that the Entitlement Rights under the Rights Offer are fully subscribed.

### How was the Entitlement Ratio of 1.68 derived?

The Entitlement Ratio was calculated as follows:

Outstanding Shares as of June 25, 2021 / Entitlement Rights = Entitlement Ratio  
419,063,353 Outstanding Shares / 249,442,472 Entitlement Rights = Entitlement Ratio of 1.68

Below is a sample calculation of the number of shares an Eligible Shareholder with 10,000 Common Shares as of Record Date would be entitled to in relation to the SRO:

Number of Shares held as of Record Date	10,000
Entitlement Ratio	1.6800
Number of Entitlement Rights	5,952*

Correspondingly for every one (1) Entitlement Rights subscribed to, the Eligible Shareholder will be given one (1) Bonus Detachable Warrant.

Entitlement Rights Subscribed to: 5,952 Entitlement Rights\*  
Bonus Detachable Warrants: 5,952 Warrants\*

*\*Equivalent to 5,952.38 but has been rounded down to the nearest whole number/integer.*

## **Can I only subscribe to the Bonus Detachable Warrants?**

No. One must participate in the Rights Offer and avail of the Entitlement Rights in order to be given a Bonus Detachable Warrant.

## **How and when can I exercise my Bonus Detachable Warrants?**

Bonus Detachable Warrants may be exercised within the first two (2) trading days of each month beginning on the 12th month until the 36th month from Issue Date.

In order for the Warrantholder to exercise the rights under the Warrant, the Warrantholder is required, subject to compliance with applicable laws and regulations, to complete, sign and deliver an Application to purchase form, surrender and endorse the Warrant Certificate, and tender the full Exercise Price to the Warrant Registrar.

## **Will there be any changes or adjustments to the price of TECH on the Ex-Rights Date?**

Any issuance of new shares has a theoretical dilutive impact. However, as with every free market, it is the market that will determine the price of TECH's shares. The price is expected to adjust considering the effect of the SRO, but the Company cannot advise any investor on the extent of the adjustment or its timing, as the price is ultimately determined by market forces, particularly supply and demand, as with any other listed stock.

## **What is the procedure and payment for application?**

### *Immobilized Holdings (Lodged Shares)*

For scripless shareholders, internal subscription and payment guidelines will be released by the Depository Participants/Trading Participants/Brokers on or before the start of the Offer Period (July 12, 2021).

### *Certificated Eligible Shareholders*

Certificated Eligible Shareholders shall accomplish the Application and designate a Depository Participant (DP). All shareholders must designate a DP whose depository account will be credited with the applicants' subscription to the Entitlement Rights on Listing Date. Such designation of a DP is a requirement in order to avail of the Offer. The authorized signatory of the designated DP must affix his/her signature and indicate the DP's broker ID code and the PDTC account number in the Application to signify conformity. The authorized signatory(ies) of the designated DP must also affix his/her signature(s) in the "Signature Verified" portion of the Specimen Signature Card of the certificated Eligible Shareholder.

The applicant must then submit his/her duly accomplished Application to the Receiving Agent, together with the required supporting documents and copy of the PNB Bills Payment covering the full amount of the subscription price.

The check should be made payable to "Cirtek Rights Offer" covering 100% of the subscription price. The said check should also be crossed "For Payee's Account Only" and should be deposited by the applicant to the PNB Bills Payment in the name of "CIRTEK Rights Offer".

Alternatively, Offshore Eligible Shareholders may submit their duly accomplished Applications and the other required documents directly to the Receiving Agent by sending an electronic copy of the



Application and the other required documents with an Undertaking to Submit the original copies fifteen (15) calendar days from the submission of the soft copies, through electronic mail to e-mail address: [cirteksro@pnb.com.ph](mailto:cirteksro@pnb.com.ph) not later than 12:00 p.m., Manila time, on July 22, 2021. The original documents shall immediately follow via courier for delivery to the Receiving Agent.

### **How can we secure the signature of the Trading Participant authorized signatory?**

Kindly make arrangements with your respective Trading Participants on their internal procedures in securing the signature of the Depository Participant's authorized signatory, for the purposes of the Application and the specimen signature card.

### **What are the expenses for the investor who wishes to subscribe to the Rights Offer?**

Eligible Shareholder who wish to subscribe to the Rights Offer will have to pay the Subscription Price for the Entitlement Rights of ₱5.50 per share.

For Offshore Eligible Shareholders, who will pay for their subscription via remittance/wire transfer, any remittance costs charged by the banks handling the transaction are for the account of the investor. Offshore Eligible Shareholders should verify whether their bank will charge any such fees so that the full amount of the total subscription price is received by the Company.

### **What if I do not receive the SRO Kits during the Offer Period?**

In the event the Eligible Shareholder has not received the SRO kit by July 7, 2021, they should contact BDO Trust and Investments Group ([galvez.oliver@bdo.com.ph](mailto:galvez.oliver@bdo.com.ph), or [cruz.elenita@bdo.com.ph](mailto:cruz.elenita@bdo.com.ph)) for assistance.

The Application kit will also be made available for download on Cirtek's website starting July 05, 2021. Scripless shareholders are encouraged to please contact their respective Trading Participants /brokers to participate in the SRO.

### **What if the holder of the share is already deceased?**

This will be subject to estate proceedings and the legal requirements for the settlement and administration of the assets of the estate, which would include the TECH shares.

### **Other Details**

Other details with respect to the Rights Offer, together with a copy of the Prospectus, are available to Eligible Shareholders at the Philippine Stock Exchange disclosure portal ([edge.pse.com.ph](http://edge.pse.com.ph)) and at TECH's website at:

<https://cirtekholdings.com/storage/app/media/TECH%20-%20Final%20Prospectus%20for%20Stock%20Rights%20Offering%20with%20Detachable%20Warrants.pdf>

**You may also contact your respective Depository Participant, or the following:**

**Cirtek Holdings Philippines Corporation Team:**

Jorge Aguilar - [jorge.aguilar@cirtek.ph](mailto:jorge.aguilar@cirtek.ph)  
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**PNB TRUST (the Receiving Agent):**

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