

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. **13 January 2022**
Date of Report (Date of earliest event reported)
2. SEC Identification Number **CS201627300** 3. BIR Tax Identification No. **009-468-103**
4. **Solar Philippines Nueva Ecija Corporation**
Exact name of issuer as specified in its charter
5. **Metro Manila, Philippines** 6. (SEC Use Only)
Province, country or other jurisdiction of incorporation Industry Classification Code:
7. **112 Legaspi Street, Legaspi Village, Barangay San Lorenzo, Makati City, Philippines 1229**
Address of principal office Postal Code
8. **(02) 8817-2585**
Issuer's telephone number, including area code
9. **Not Applicable**
Former name or former address, if changed since last report
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	8,124,350,005

11. Indicate the item numbers reported herein:

Item 9. Other Events

As of 31 December 2021, the proceeds of the Initial Public Offering ("IPO") of 2,700,000,000 common shares of Solar Philippines Nueva Ecija Corporation (the "Company") listed together with the Company's existing 5,424,350,005 common shares on the Philippine Stock Exchange on 17 December 2021 were applied as follows:

Use of Proceeds		As of December 31, 2021
Total Proceeds (2,700,000,000 shares at Php1.0 per share)		₱2,700,000,000
Less: IPO Related Expenses		
PSE Filing Fees	8,124,350	
External Auditor Fees	5,689,600	
Taxes	3,674,922	
Legal Counsel Fees	4,634,368	
SEC Registration Fees	1,437,370	
Selling Fees	1,161,385	
Receiving, Transfer, and Custodian Agency Fees	625,000	
Estimated Escrow Bank Fees	400,000	
Roadshow Presentation and Marketing Expenses	113,484	
PDTC Processing Fees	93,871	
Estimated Cost of Printing Selling Materials	74,300	
Publication Fees	57,120	
Others	19,601	26,105,371
Net Proceeds After IPO Related Expenses		2,688,168,061
Construction and Development of Phase 1A	292,421	
General corporate purposes	3,600	296,021
Unused Proceeds as of December 31, 2021		₱2,673,598,608

Please find attached separate certifications from the Company's Treasurer and external auditor, SyCip Gorres Velayo & Co.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SOLAR PHILIPPINES NUEVA ECIJA CORPORATION

Issuer

13 January 2022

Date



HAZEL IRIS P. LAFUENTE

Treasurer

January 13, 2022

The Philippine Stock Exchange, Inc.
PSE Tower, 5th Avenue corner 28th Street
Bonifacio Global City, 1634
Taguig City

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosures Department

Subject: **Application of IPO Proceeds Quarterly Summary**

Ladies and Gentlemen:

In connection with Solar Philippines Nueva Ecija Corporation's ("SPNEC's") Initial Public Offering ("IPO") on December 17, 2021, we submit herewith our quarterly progress report ("Report") on the application of the net IPO proceeds.

For the quarter ended December 31, 2021, the application of the net IPO proceeds is broken down as follows:

Use of Proceeds		As of December 31, 2021
Total Proceeds (2,700,000,000 shares at Php1.0 per share)		₱2,700,000,000
Less: IPO Related Expenses		
PSE Filing Fees	8,124,350	
External Auditor Fees	5,689,600	
Taxes	3,674,922	
Legal Counsel Fees	4,634,368	
SEC Registration Fees	1,437,370	
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Publication Fees	57,120	
Others	19,601	26,105,371
Net Proceeds After IPO Related Expenses		2,688,168,061
Construction and Development of Phase 1A	292,421	
General corporate purposes	3,600	296,021
Unused Proceeds as of December 31, 2021		₱2,673,598,608

There were no other disbursements and applications made during the relevant quarter.

In compliance with the conditions of the Philippine Stock Exchange's Notice of Approval for the IPO, the undersigned hereby certifies the foregoing as true and correct based on available records. Likewise enclosed is the certification from SPNEC's external auditor, SGV & Co., in connection with the Report.

We trust that you find everything in order.

Very truly yours,



Hazel Iris P. Lafuente
Treasurer

Agreed-Upon Procedures Report on Quarterly Progress Report on the Application of Proceeds from Initial Public Offering

The Board of Directors and Shareholders

Solar Philippines Nueva Ecija Corporation
20th Floor Philamlife Tower
8767 Paseo de Roxas
1226 Makati City Philippines

Purpose of this Agreed-upon Procedures Report and Restriction on Use and Distribution

We have performed the procedures enumerated below, which were agreed to by Solar Philippines Nueva Ecija Corporation (the "Company"), solely to assist you in complying with the requirements of the Philippine Stock Exchange, Inc. (PSE) in relation to the Quarterly Progress Report on the Application of Proceeds from the Initial Public Offering (IPO) of the Company on December 17, 2021 ("Subject Matter"). Accordingly, this may not be suitable for another purpose.

This agreed-upon procedures report ("AUP Report") is intended solely for the information and use of the Company and PSE and is not intended to be and should not be used by anyone else.

Responsibilities of the Company

The Company has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

The Company is responsible for the Subject Matter on which the agreed-upon procedures are performed.

Responsibilities of the Practitioner

We have conducted the agreed-upon procedures engagement in accordance with the Philippine Standard on Related Services (PSRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness or the sufficiency of the agreed-upon procedures described below either for the purpose for which this AUP Report has been requested or for any other purpose.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.



Our Independence and Quality Control

In performing the Agreed-Upon Procedures engagement, we complied with the ethical requirements in the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics). We are not required to be independent for the purpose of this engagement. We are the independent auditor of the Company and complied with the independence requirements of the Code of Ethics that apply in context of the financial statement audit.

Our firm applies Philippine Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of Procedures Performed

We have performed the procedures described below, which were agreed upon with the Company in the terms of engagement dated January 4, 2022, on the Subject Matter which is presented as Annex to this report.

Our procedures and findings included:

1. Obtained from management the Quarterly Progress Report as at December 31, 2021 showing the following information:
 - a. Total proceeds as of December 17, 2021, the IPO date;
 - b. Detailed schedule and description of disbursements for the period December 17, 2021 to December 31, 2021 (the period);
 - c. Amount of disbursement for the period; and
 - d. Balance of net proceeds as of December 31, 2021.
2. Checked the mathematical accuracy of the Quarterly Progress Report.
3. Obtain and check the mathematical accuracy of the Detailed Schedule of Disbursements during the period. Compare the disbursements as indicated in the Quarterly Progress Report as at December 31, 2021 to the detailed schedule of disbursements during the period.
4. Traced the amounts of all disbursements in the detailed schedule of disbursements to the supporting documents such as cash disbursement journal, billing statements, invoices, check vouchers, official receipts and bank statements.
5. Obtained a complete list of bank accounts, where the IPO proceeds are maintained and traced interbank transfers to bank statements.
6. Traced the remaining balance of the net proceeds as of December 31, 2021 to the bank statements as of December 31, 2021.



7. Compared the nature and amounts of disbursements in the Quarterly Progress Report as of December 31, 2021 to the use of proceeds section of the Offering Circular.
8. Obtained the list of Board of Directors minutes of meetings for the period and inspected if there were reallocations or changes in the schedule of planned use of proceeds from the Offering.

We report our findings below:

1. With respect to item (1), we were able to obtain the Quarterly Progress Report showing the following information:
 - a. Total proceeds as of December 17, 2021, the IPO date;
 - b. Detailed schedule and description of disbursements for the period December 17, 2021 to December 31, 2021 (the period);
 - c. Amount of disbursement for the period; and
 - d. Balance of net proceeds as of December 31, 2021.
2. With respect to item (2), no exception was noted.
3. With respect to item (3), no exception was noted.
4. With respect to item (4), disbursements include payments made prior to the receipt of the IPO proceeds (i.e. disbursements from March to December 16, 2021) as follows:

	Amount
IPO-related expenses	₱12,410,581
Construction and Development of Phase 1A	31,000
	<u>₱12,441,581</u>

Such payments were initially advanced out of the Company's operating funds and subsequently charged against the IPO proceeds. We traced the above amounts to the related invoices and purchase orders when the funds were originally disbursed. We noted no exception.

5. With respect to item (5), we noted that the Company maintains the IPO proceeds in savings and escrow accounts of a local bank. We noted no exception.
6. With respect to item (6), we noted that the bank balances are higher because of the interest income earned amounting to ₱33,808 and beginning cash balance of ₱13,903,057, which were not considered as part of the proceeds from the Offering.
7. With respect to item (7), we present below the summary of breakdown and application of the Offering Proceeds for the period December 17, 2021 to December 31, 2021 based on the information we obtained from the Company.



	Planned Allocation of Offering Proceeds	Application of Offering Proceeds During the Period	Unused Offering Proceeds as of December 31, 2021
	<i>(in Php millions)</i>		
IPO related expenses	₱109.0	₱26.1	₱82.9
Fund the construction and development of Phase 1A	1,003.0	0.3	1,002.7
Fund the transmission line construction	200.0	-	200.0
Lease expenses for year 2022	23.0	-	23.0
General corporate purposes	33.0	-	33.0
Land for future expansion ¹	1,332.0	-	1,332.0
	₱2,700.0	₱26.4	₱2,673.6

¹Please refer to item 8

8. With respect to item (8), on a board resolution dated December 20, 2021, the Board of Directors of the Company approved the allocation of IPO proceeds previously earmarked for future land acquisitions and capital expenditures towards bid bonds, bid security, and other expenses for potential offtake agreements effective by January 19, 2022. This action was done to enable the Company to be responsive to contracting opportunities as soon as they arise, in support of the Company's strategy to pursue off-take on an opportunistic basis.

Explanatory paragraph

The Company is responsible for the source documents that are described in the specified procedures and related findings section. We were not engaged to perform and we have not performed any procedures other than those previously listed. We have not performed procedures to test the accuracy or completeness of the information provided to us except as indicated in our procedures. Furthermore, we have not performed any procedures with respect to the preparation or verification of any of the source documents. We have no responsibility for the verification of any underlying information upon which we relied in forming our findings.



We undertake no responsibility to update this AUP Report for events and circumstances occurring after the AUP Report is issued.

SYCIP GORRES VELAYO & CO.



Jhoanna Feliza C. Go

Partner

CPA Certificate No. 0114122

Tax Identification No. 219-674-288

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

SEC Partner Accreditation No. 1414-AR-2 (Group A),

October 15, 2019, valid until October 14, 2022

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-103-2019,

November 7, 2019, valid until November 6, 2022

PTR No. 8853497, January 3, 2022, Makati City

January 12, 2022



Annex: Progress Report for the Period December 17 to December 31, 2021

Use of Proceeds		As of December 31, 2021
Total Proceeds (2,700,000,000 shares at Php1.0 per share)		₱2,700,000,000
Less: IPO Related Expenses		
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Publication Fees	57,120	
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Unused Proceeds as of December 31, 2021		₱2,673,598,608

