

# COVER SHEET

- - - - - 1 1 1 6 3

S.E.C. Registration Number

P H I L C O M S A T    H O L D I N G S    C O R P .

(Company's Full Name)

1 2 T H    F L O O R ,    T E L E C O M    P L A Z A

3 1 6    S E N .    G I L    P U Y A T    A V E N U E

M A K A T I    C I T Y

(Business Address: No. Street City/Town/ Province)

**VALERIE ANNE D. GONZALES**

Contact Person

**840-3783**

Company Telephone Number

1 2

Month

3 1

Day

Fiscal Year

**DEFINITIVE INFORMATION  
STATEMENT 2016**

FORM TYPE

\_\_\_\_\_

Secondary License Type, If Applicable

\_\_\_\_

Dept. Requiring this Doc.

**3<sup>rd</sup> Monday of  
November**

Annual Meeting

\_\_\_\_\_

Amended Articles Number/Section

\_\_\_\_\_

Total No. of Stockholders

Total amount of Borrowings

\_\_\_\_\_

Domestic

\_\_\_\_\_

Foreign

-----  
To be accomplished by SEC Personnel concerned

\_\_\_\_\_  
File Number

\_\_\_\_\_  
LCU

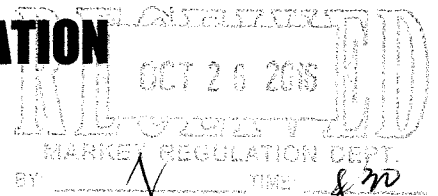
\_\_\_\_\_  
Document I.D.

\_\_\_\_\_  
Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

# PHILCOMSAT HOLDINGS CORPORATION



## NOTICE OF ANNUAL STOCKHOLDERS' MEETING

NOTICE IS HEREBY GIVEN that the Annual Meeting of the Stockholders will be held at the Makati Sports Club, L. P. Leviste Street, Salcedo Village, Makati on Monday, November 21, 2016, at 8:00 A.M., for the transaction of the following business:

1. Calling of Meeting to Order.
2. Certification of Notice and Quorum.
3. Approval of the Minutes of the Annual Meeting of the Stockholders on November 9, 2015.
4. Notation and Approval of Management Report and Audited Financial Statements for period ending December 31, 2015.
5. Approval and Confirmation of all acts, proceedings, resolutions of the Board of Directors, Executive Committee, and all other Board and Management Committees and Officers.
6. Election of Directors.
7. Appointment of External Auditors.
8. Other Matters.
9. Adjournment.

Only stockholders of record as of 21 October 2016 will be entitled to notice and to vote at this meeting.

Makati City, 7 October 2016.

FOR THE BOARD OF DIRECTORS

  
**JOHN BENEDICT L. SIOSON**  
*Assistant Corporate Secretary*

We are not soliciting your proxy. However, if you cannot personally attend the meeting and you wish to be represented thereat, you may designate your authorized representative by submitting a PROXY instrument to the Office of the Corporate Secretary, 12<sup>th</sup> Floor, Telecom Plaza Building, 316 Sen. Gil Puyat Avenue, Makati City, not later than 5:00 P.M. of 17 November 2016. Validation of proxies shall be held at the same office on 19 November 2016 at 8:00 A.M.

# PHILCOMSAT HOLDINGS CORPORATION

2016 Annual Stockholders' Meeting

## PROXY

The undersigned stockholder of Philcomsat Holdings Corporation (the "Corporation") hereby appoints \_\_\_\_\_ or in his/her/its absence, the Chairman of the meeting, as attorney and proxy, with power of substitution, to be present and vote all shares registered in his/her/its name as proxy of the undersigned stockholder, at the Annual Meeting of Stockholders of the Corporation on November 21, 2016 and at any of the adjournments thereof for the purpose of acting on the following matters:

1. Approval of minutes of previous meeting.  
 Yes     No     Abstain
  2. Approval of annual report and F/S  
 Yes     No     Abstain
  3. Ratification of all acts and resolutions of the Board of Directors, All Committees, Management and Officers of the Corporation.  
 Yes     No     Abstain
  4. Election of Directors  
 Vote for all nominees listed below:  
Katrina Ponce Enrile  
Ramon Jacinto  
Erlinda I. Bildner  
Pablo L. Lobregat  
Marietta K. Ilusorio  
Daniel C. Gutierrez  
Jullie Yap Daza  
Prudencio C. Somera  
Carlo Carag  
Santiago J. Ranada  
Jose Ramon C. Ozamiz
  5. Election of Reyes Tacandong & Co. as independent auditors and fixing of their remuneration.  
 Yes     No     Abstain
  6. At their discretion, the proxies named above are authorized to vote upon such other matters as may properly come before the meeting.  
 Yes     No     Abstain
- \_\_\_\_\_  
PRINTED NAME OF STOCKHOLDER
- \_\_\_\_\_  
SIGNATURE OF STOCKHOLDER/  
AUTHORIZED SIGNATORY
- \_\_\_\_\_  
DATE

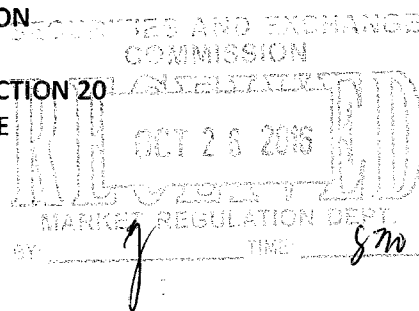
THIS PROXY SHOULD BE RECEIVED BY THE CORPORATE SECRETARY ON OR BEFORE 5:00 P.M. OF NOVEMBER 17, 2016, THE DEADLINE FOR SUBMISSION OF PROXIES.

THIS PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED IN THE MANNER AS DIRECTED HEREIN BY THE STOCKHOLDER(S). IF NO DIRECTION IS MADE THIS PROXY WILL BE VOTED FOR THE ELECTION OF ALL NOMINEES AND FOR THE APPROVAL OF THE MATTERS STATED ABOVE AND FOR SUCH OTHER MATTERS AS MAY PROPERLY COME BEFORE THE MEETING IN THE MANNER DESCRIBED IN THE INFORMATION STATEMENT AND/OR AS RECOMMENDED BY MANAGEMENT OR THE BOARD OF DIRECTORS.

A STOCKHOLDER GIVING A PROXY HAS THE POWER TO REVOKE IT AT ANY TIME BEFORE THE RIGHT GRANTED IS EXERCISED UPON NOTICE TO THE CORPORATE SECRETARY. A PROXY IS ALSO CONSIDERED REVOKED IF THE STOCKHOLDER ATTENDS THE MEETING IN PERSON AND EXPRESSES HIS INTENTION TO VOTE IN PERSON.

WHEN SIGNING IN A REPRESENTATIVE CAPACITY LIKE CORPORATE PROXIES, EXECUTOR, ADMINISTRATOR AND THE LIKE KINDLY SUBMIT THE DOCUMENT AUTHORIZING YOU TO EXECUTE SAID PROXY.

**SECURITIES AND EXCHANGE COMMISSION  
SEC FORM 20-IS  
INFORMATION STATEMENT PURSUANT TO SECTION 20  
OF THE SECURITIES REGULATION CODE**



- 1. Check the appropriate box:  
 Preliminary Information Statement  
 Definitive Information Statement
- 2. Name of Corporation as specified in its charter: **PHILCOMSAT HOLDINGS CORPORATION**
- 3. Province, country or other jurisdiction of incorporation or organization: **PHILIPPINES**
- 4. SEC Identification Number **11163**
- 5. BIR Tax Identification Code **000-471-497**
- 6. **12/F TELECOM PLAZA BUILDING, SEN. GIL PUYAT AVENUE, MAKATI CITY** **1200**  
Address of principal office Postal Code
- 7. Corporation's telephone number, including area code: **(02) 815-8406**
- 8. Date, time and place of the meeting of security holders: **21 November 2016, 8:00 A.M., Makati Sports Club, L.P. Leviste St., Makati City**
- 9. Approximate date on which the Information Statement is first to be sent or given to security holders: **27 October 2016**
- 10. Name of Person filing the Statement: **PHILCOMSAT HOLDINGS CORPORATION**  
Address and Telephone Number: **12/F Telecom Plaza Building, 316 Sen. Gil Puyat Ave. Makati City, (02) 815-8406**
- 11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate Corporations):

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
<b>COMMON</b>	<b>996,391,254</b>

- 12. Are any or all of Corporation's securities listed in a Stock Exchange?  
Yes  No

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:

**PHILIPPINE STOCK EXCHANGE**

**PART I.**

**INFORMATION REQUIRED IN INFORMATION STATEMENT**

**A. GENERAL INFORMATION**

**Item 1. Date, time and place of meeting of security holders**

DATE : 21 November 2016  
TIME : 8:00 A.M.  
PLACE : Makati Sports Club, L.P. Leviste Street, Makati City

COMPLETE MAILING ADDRESS OF PRINCIPAL OFFICE OF THE CORPORATION:  
**12/F TELECOM PLAZA BUILDING, 316 SEN. GIL PUYAT AVENUE, MAKATI CITY**

This Information Statement is to be sent out to qualified shareholders of record as of 21 October 2016 no later than 27 October 2016.

**WE ARE NOT ASKING YOU FOR A PROXY AND  
YOU ARE REQUESTED NOT TO SEND US A PROXY**

**Item 2. Dissenters' Right of Appraisal**

While the stockholders had already resolved to increase in the authorized capital stock of the Corporation from P1 billion to P3 billion during the 2010 Annual Stockholders' Meeting and the Corporation is only requesting for a re-adoption of the same resolution, nevertheless, any dissenting stockholder may still exercise his/her appraisal or similar right on the said matter.

As provided in Title X of the Corporation Code of the Philippines, any dissenting stockholder may exercise his appraisal right by voting against the proposed amendment and by making a written demand on the corporation within thirty (30) days after the date of the meeting for payment of the fair value of his shares. If the said amendment is implemented or effected, the stockholder shall surrender his/her/its certificate of stock representing his/her/its shares and payment of the fair value thereof as of the day prior to the meeting (excluding any appreciation or depreciation in anticipation of the action) shall be made by the Corporation, provided it has unrestricted retained earnings in its books to cover such payment. If the stockholder and the Corporation cannot agree on the fair value of the shares within sixty (60) days from the date of the meeting, the said value will be determined and appraised by three (3) appraisers, one of whom shall be nominated by the stockholder, the other by the Corporation and the third, by the two thus chosen. The findings of the appraisers shall be final. Upon payment by the Corporation of the agreed or awarded price, the dissenting stockholder shall forthwith transfer his/her/its shares to the Corporation.

**Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon**

There is no transaction or matter to be acted upon in the Annual Stockholders' Meeting in which a director, executive officer, or any associate of the foregoing persons, has any substantial interest, direct or indirect, by security holdings or otherwise. No director has informed the Corporation in writing that he intends to oppose any action to be taken by the Corporation at the meeting.

## **B. CONTROL AND COMPENSATION INFORMATION**

### **Item 4. Voting Securities and Principal Holders Thereof**

- (a) **Classification of share entitled to vote.** As of 31 October 2016, there are 996,391,254 common shares outstanding, all of which are entitled to vote.
- (b) **Record Date.** All stockholders of record as of the close of business hours on 21 October 2016 are entitled to notice of, and to vote, at the Annual Stockholders' Meeting.
- (c) **Voting Rights.** Each share is entitled to one (1) vote. However, with respect to the election of directors, the stockholder may vote such number of shares for as many persons as there are directors to be elected, or he may cumulate said shares and give one candidate as many votes as the number of directors elected, or he may distribute them on the same principle among as many candidates as he shall see fit; provided, that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the number of directors to be elected.
- (d) **Security Ownership of Certain Record and Beneficial Owners of more than 5% of the voting securities.** The following stockholders appear as record or beneficial owner of more than 5% of the total voting securities of the Corporation as of 31 October 2016.

Class	Name/Address of Registered Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Beneficial Owner	Citizenship	No. of Shares	%
common	Philippine Communications Satellite Corporation, 316 Sen. Gil Puyat Avenue, Makati (represented by its President and proxy, Ms. Erlinda I. Bildner) [R]	n/a	Filipino	796,590,990	79.947%
common	Prudencio C. Somera Jr., c/o 316 Sen. Gil Puyat Avenue, Makati [R]	n/a	Filipino	100,000,100	10.036%

The following lists the security ownership of Management (Directors and Officers) of the Corporation as of 31 October 2016:

Class	Name	Amount and Nature of Beneficial Ownership	Citizenship	%
Common	Prudencio C. Somera, Jr.	R	Filipino	10.036%
Common	Erlinda Bildner	R	Filipino	Neg
Common	Katrina Ponce-Enrile	R	Filipino	Neg
Common	Ramon P. Jacinto	R	Filipino	Neg
Common	Daniel C. Gutierrez	R	Filipino	Neg
Common	Jose Ramon Ozamiz	R	Filipino	Neg
Common	Santiago Ranada	R	Filipino	Neg
Common	Julie Y. Daza	R	Filipino	Neg
Common	Marietta K. Ilusorio	R	Filipino	Neg
Common	Carlo A. Carag	R	Filipino	Neg
Common	Pablo L. Lobregat	R	Filipino	Neg
Common	Lorna Patajo-Kapunan	R	Filipino	Neg
Common	Victoria C. de los Reyes	R	Filipino	Neg
Common	John Benedict L. Sioson	R	Filipino	Neg
Common	Directors and Executive Officers as a Group Unnamed	R	Filipino	10.038%

The foreign ownership level in the Corporation is 0.08% as of 31 October 2016.

**Item 5. Directors and Executive Officers**

**(a) Board of Directors.**

Name, Age and Citizenship	Position	Period Served	Professional and Business Experience
Katrina C. Ponce-Enrile, 56, Filipino	Chairman	November 2015 to Present	President and CEO- Philippine Overseas Telecommunications Corporation, President and CEO-Montemar Beach Club, Inc., Director and CFO- Philippine Communications Satellite Corporation, President and CEO-JAKA Group of Companies
Ramon P. Jacinto, 71, Filipino	Director/ President	November 2015 to Present	Chairman and CEO - RJ Group of Companies, Rajah Broadcasting Work, RJ Music City, RJ Holdings, Inc., and RJ Venture Realty, Inc.
Erlinda I. Bildner, 70, Filipino	Director/ Treasurer / CFO	November 2015 to Present	President and CEO-Philippine Communications Satellite Corporation, Vice-Chair and Director-Philippine Overseas Telecommunications Corporation, Director-Montemar Beach Club, Inc., Director and Chair, Finance Committee – Baguio Country Club
Daniel C. Gutierrez, 61, Filipino	Director	November 2015 to Present	Partner-Soo Gutierrez Leogardo & Lee Law Offices; Law Professor and Bar Reviewer- Arellano University, Director- IBP, former Trustee-GSIS
Marietta K. Ilusorio, 65, Filipino	Director	November 2015 to Present	Director and Vice President, Philippine Overseas Telecommunications Corporation; Director and Vice-President, Philippine Communications Satellite Corporation; Director, Montemar Beach Club, Inc.
Julie Y. Daza, 74, Filipino	Director	December 2015 to Present	Journalist, editor-in-chief, columnist, book author, and award-winning television talk show host
Pablo L. Lobregat, 62, Filipino	Director	November 2015 to Present	President-Crystal Sugar Co., Inc., President/Chairman-Oceanic Wireless Network, Inc., President-Aerocom Investors & Managers, Inc., Director –Philippine Communications Satellite Corporation, Director-Philippine Overseas Telecommunications Corporation
Carlo A. Carag, 58, Filipino	Director	November 2015 to Present	Former Undersecretary, Department of Finance (Revenue Operation and Legal Affairs Group), former Managing Partner, Carag Jamora Somera & Villareal Law Offices
Prudencio C. Somera, Jr. 71, Filipino	Director	November 2015 to Present	Director – TKC Steel Corporation; Licensed Stockbroker; Columnist – Philippine Daily Inquirer
Justice Santiago J. Ranada (ret), 79, Filipino	Director	November 2015 to Present	Partner, Ranada, Malaya Sanchez & Simpao, Specializes in the banking, insurance, maritime and real estate industries and in corporate rehabilitation proceedings, 28 years of service in the Philippine Judiciary as RTC Judge and CA Justice
Dr. Jose Ramon C. Ozamiz, 58, Filipino	Director	November 2015 to Present	Surgeon – Makati Medical Center; 22 years of practice; Diplomate, Philippine Board of Surgery, Fellow, Philippine College of Surgeons, Member, Philippine Medical Association, Makati Medical Society, Philippine Society of General Surgeons

(b) **Executive Officers.** The following are the Executive Officers:

- a. Ramon P. Jacinto – President
- b. Katrina C. Ponce-Enrile – Executive Vice-President
- c. Erlinda I. Bildner – Treasurer
- d. Manolita L. Morales – Asst. Treasurer
- e. Victoria C. de los Reyes – Corporate Secretary
- f. John Benedict L. Sioson – Asst. Corporate Secretary

(c) **Involvement in Certain Legal Proceedings.** The Corporation is not aware of the involvement of the its directors and executive officers in any bankruptcy petition, conviction by final judgment, violation of a securities or commodities law or being subject to any such order, judgment or decree within the last 5 years and up to the latest date that is material to their evaluation as directors and executive officers of the Corporation. The legal proceedings in which the Corporation is a party is contained in the attached Annual Report (SEC Form 17-A). In addition to the cases listed therein, the Corporation received another complaint from a certain Victor Africa that was filed in the RTC-Makati wherein he once again prayed that he be allowed to inspect and copy corporate records. The Corporation is awaiting orders from the Court.

(d) **Voting trust holders.** No person holds more than five percent (5%) of any class of the Corporation's securities under a voting trust agreement.

(e) **Changes in control.** No arrangements exist which may result in a change in control of the Corporation. There has been no change in control of the Corporation since the beginning of its last fiscal year.

(f) **Nomination of Directors.** The Nomination Committee is composed of Mr. Ramon P. Jacinto, Jr. (Chairman), Ms. Katrina C. Ponce-Enrile and Mr. Pablo L. Lobregat. Written nominations for the position of director of the Corporation are accepted until the close of business hours on November 4, 2016 at the principal office of the Corporation. Philippine Communications Satellite Corporation (Philcomsat) nominated the following as directors of the corporation for the ensuing year: Katrina C. Ponce-Enrile, Ramon P. Jacinto, Erlinda I. Bildner, Pablo L. Lobregat, J. Santiago J. Ranada, Daniel C. Gutierrez, Prudencio C. Somera, Jr., Marietta K. Ilusorio, Carlo A. Carag, Jose Ramon Ozamiz and Julie Y. Daza, with the last two (2) as independent directors of the Corporation. Dr. Ozamiz and Ms. Daza are not related to the Philcomsat nor affiliated with any company within the Philcomsat Group of Companies.

(g) **Significant Employees.** The Corporation has no employee who is not an executive officer and who is expected to make a significant contribution to the business.

(h) **Family Relationships.** Except for Ms. Erlinda I. Bildner and Ms. Marietta K. Ilusorio who are sisters, none of the other nominees are related to each other or to an executive officer within the fourth (4<sup>th</sup>) civil degree of consanguinity or affinity.

(i) **Certain Relationships and Related Transactions.**

1. The Corporation has no significant related party transactions with its stockholders, directors, officers and affiliated companies except a contract of lease from its majority owner, Philcomsat, of the Corporation's current office space in the amount of P88,255 per month. The price of the lease was arrived at after checking similar leases in the same and neighboring buildings (please



refer to Page 28, Note 22 of the Audited Financial statements for details of the said lease) and advances to its Philcomsat and the Corporation's subsidiaries and co-subsidiaries all of which are in the normal course of business (please refer to page 28, Note 21). Aside from the foregoing, the Corporation does not have contractual or other commitments with related parties not in the normal course of business.

2. There are no arrangements with parties that fall outside the definition "related parties" with whom the registrants or its related parties have a relationship that enables the parties to negotiate terms of material transactions that may not be available from independent parties on an arm's length basis.

#### Item 6. Compensation of Directors and Executive Officers

The following lists the compensation of the directors and executive officers for 2014.

NAME	POSITION	SALARY	ALLOWANCE	BONUS	TOTAL
RAMON JACINTO	President				
KATRINA PONCE-ENRILE	Chairman/EVP				
ERLINDA I. BILDNER	Treasurer				
MANOLITA L. MORALES	Asst. Treasurer				
VICTORIA DELOS REYES	Corporate Secretary				
All the above-named officers as a Group		3,185,000			3,185,000
All the other officers as a Group unnamed		3,139,500			3,139,500
Total		6,324,500			6,324,500

NAME	POSITION	SALARY	ALLOWANCE	BONUS	TOTAL
KATRINA PONCE ENRILE	Director				
RAMON P. JACINTO	Director				
ERLINDA I. BILDNER	Director				
DANIEL GUTIERREZ	Director				
PABLO LOBREGAT	Director				
ABRAHAM ABESAMIS	Director				
ROBERT B. JAWORSKI, JR.	Director				
MARIETTA K. ILUSORIO	Director				
JOSE RAMON OZAMIZ	Director				
SANTIAGO RANADA	Director				
PRUDENCIO SOMERA	Director				
TOTAL		3,575,000	2,280,000		5,855,000

The following lists the compensation of the directors and executive officers for 2015:

NAME	POSITION	SALARY	ALLOWANCE	BONUS	TOTAL
RAMON JACINTO	President				
KATRINA PONCE-ENRILE	Chairman/EVP				
ERLINDA I. BILDNER	Treasurer				
MANOLITA L. MORALES	Asst. Treasurer				
VICTORIA DELOS REYES	Corporate Secretary				
All the above-named officers as a Group		4,940,000			4,940,000
All the other officers as a Group unnamed		1,481,000			1,481,000
Total		5,836,000			5,836,000

NAME	POSITION	SALARY	ALLOWANCE	BONUS	TOTAL
KATRINA PONCE ENRILE	Director				
RAMON P. JACINTO	Director				
ERLINDA I. BILDNER	Director				
DANIEL GUTIERREZ	Director				
PABLO LOBREGAT	Director				
CARLO CARAG	Director				
JULIE DAZA	Director				
MARIETTA K. ILUSORIO	Director				
JOSE RAMON OZAMIZ	Director				
OLIVERIO LAPERAL	Director				
PRUDENCIO SOMERA	Director				

TOTAL		3,904,167.	2,430,000		6,334,167.
-------	--	------------	-----------	--	------------

The following lists the compensation of the directors and executive officers for 2016 (estimated).

NAME	POSITION	SALARY	ALLOWANCE	BONUS	TOTAL
RAMON JACINTO	President				
KATRINA PONCE-ENRILE	Chairman/EVP				
ERLINDA I. BILDNER	Treasurer				
MANOLITA L. MORALES	Asst. Treasurer				
VICTORIA DELOS REYES	Corporate Secretary				
All the above-named officers as a Group		3,520,000.00	2,250,000.00		5,770,000.00
All the other officers as a Group unnamed		135,000.00	2,410,000.00		2,545,000.00
Total		3,655,000.00	4,660,000.00		8,315,000.00

NAME	POSITION	SALARY	ALLOWANCE	BONUS	TOTAL
KATRINA PONCE ENRILE	Director				
RAMON P. JACINTO	Director				
ERLINDA I. BILDNER	Director				
DANIEL GUTIERREZ	Director				
PABLO LOBREGAT	Director				
CARLO CARAG	Director				
JULIE DAZA	Director				
MARIETTA K. ILUSORIO	Director				
JOSE RAMON C. OZAMIZ	Director				
SANTIAGO J. RANADA	Director				
PRUDENCIO SOMERA	Director				
TOTAL		3,655,000.00	4,660,000.00		8,315,000.00

#### Item 7. Independent Public Accountants

The present external auditor of the Corporation is Reyes Tacandong & Co. Representatives of Reyes Tacandong & Co. are expected to be present at the stockholders' meeting, will have an opportunity to make a statement if they so desire, and are expected to be available to respond to appropriate questions. Prior to the appointment of Reyes Tacandong & Co., the Corporation's accountants for the period 2009 to 2014 was Mendoza Querido & Co.

There are no changes in, and no disagreements with, the registrant's accountants on any accounting and financial disclosure during the two most recent fiscal years or any subsequent interim period.

The Corporation recommends the election of Reyes Tacandong & Co. as its external auditor for the current fiscal year. SEC Memorandum Circular No. 8, Series of 2003 and SRC Rule 68 (3) (b) (iv) requires the rotation of the external auditor every five (5) years. At this time, there is no need to replace or rotate the external auditor, Ms. Michelle R. Mendoza-Cruz, of Reyes Tacandong & Co.

The terms of engagement of the independent auditors including the audit services within the scope of the engagement, and the fees to be paid to the independent auditors and review the appointment of and fee arrangements with any other external auditors employed for other specific audit purposes are subject to the approval of the Audit Committee.

The Audit Committee is composed of J. Santiago J. Ranada, Jr. (Chairman), Mr. Carlo J. Carag, Ms. Katrina Ponce-Enrile, Ms. Erlinda I. Bildner, and Ms. Manolita L. Morales.

#### Item 8. Compensation Plans

No action is proposed to be taken at the meeting with respect to compensation plans.

There are no standard arrangements with, nor any prize, stock or warrant options in favor of the Corporation's directors and officers.

### **C. ISSUANCE AND EXCHANGE OF SECURITIES**

#### **Item 9. Authorization or Issuance of Securities Other than for Exchange**

No action is intended to be taken with respect to the authorization or issuance of any securities.

#### **Item 10. Modification or Exchange of Securities**

No action is intended to be taken with respect to the modification of any class of securities of the Corporation, or the issuance or authorization for issuance of one class of securities of the Corporation in exchange for outstanding securities of another class.

#### **Item 11. Financial and Other Information**

Not applicable.

#### **Item 12. Mergers, Consolidations, Acquisitions and Similar Matters**

No action is intended to be taken with respect to any merger, consolidation, acquisition or similar matter.

#### **Item 13. Acquisition or Disposition of Property**

No action is intended to be taken with respect to the acquisition or disposition of any property.

#### **Item 14. Restatement of Accounts**

No action is intended to be taken with respect to the restatement of any asset, capital, or surplus account of the Corporation.

### **D. OTHER MATTERS**

#### **Item 15. Action with Respect to Reports**

(1) Approval of Minutes of the Stockholders' Meeting held on 9 November 2015 where the following matters were approved and/or ratified:

- a. Approval of the Minutes of the Annual Stockholders' Meeting held on 16 December 2014;
- b. Approval of the Management Report and Audited Financial Statements for the period ending 31 December 2014;
- c. Approval and Confirmation of the acts, proceedings and resolutions of the Board of Directors, Executive Committee and the Board and Management Committees and officers;
- d. Election of Directors;
- e. Appointment of External Auditors

(2) Notation and Approval the Management Report including the audited financial statements for the fiscal year ending December 31, 2015;

- (3) Confirmation of all acts of Management, the Board of Directors and committees done in the regular course of business since the last stockholders' meeting to the present including:
- a. Authority to file cases and appointment of representatives;
  - b. Enter into compromises in cases wherein the Corporation is a party;
  - c. Approval of Financial Statements; and
  - d. Purchase of various bonds and AFS financial assets.
- (4) Election of the 11 members of the Board of Directors, including the two (2) independent directors for the ensuing calendar year
- (5) Election of External Auditors

**Item 16. Matters Not Required to be Submitted**

There is no matter not required to be submitted to the stockholders for approval.

**Item 17. Amendment of Charter, Bylaws or Other Documents**

There is no proposed action regarding amendment of charter, bylaws or other documents.

**Item 18. Other Proposed Action**

There is no other action proposed to be taken up during the meeting.

**Item 19. Voting Procedures**

For matters other than election of directors, each share is entitled to one (1) vote.

With respect to the election of directors, the stockholder may vote such number of shares for as many persons as there are directors to be elected, or he may cumulate said shares and give one candidate as many votes as the number of directors elected, or he may distribute them on the same principle among as many candidates as he shall see fit; provided, that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the number of directors to be elected.

All votes shall be counted and tallied by the Corporate Secretary.

**Item 20. Statement of Management Responsibility and Audited Financial Statements – Annex "A"**

A copy of the Statement of Management Responsibility and the Corporation's Audited Financial Statements for the year ending 31 December 2015 are attached as Annex "A".

**Item 21. Management Report contained in Annual Report (SEC Form 17-A) – Annex "B"  
1<sup>st</sup> and 2<sup>nd</sup> Quarter Financial Statements (SEC Form 17-Q) – Annex "C" and "D"**

The Corporation incorporates by reference the information contained in its latest Annual Report (SEC Form 17-A), a copy of which is delivered together with this Information Statement as well as the 1<sup>st</sup> and 2<sup>nd</sup> Quarter Financial Statements (SEC Form 17-Q)

As a holding company, the Corporation only invests in the money market and financial products and leases out its property. It intends to continue such activities in the next twelve (12) months. The Corporation will be able to satisfy its cash requirements and does not have to raise additional funds in the next twelve (12) months and beyond.

(1) Financial Condition, Changes in Financial Condition and Results of Operations during the last three (3) fiscal years and the interim period.

In addition to the information in the said Annual Report, for the 1<sup>st</sup> semester of 2016, the following are the results of operations:

**Revenues:** In the first semester of 2016, the Corporation generated P207.3 million in revenue. In the fiscal year ended December 31, 2015, the Corporation generated Revenues of P29.9 million compared to P43.6 million in the year ended December 31, 2014 and P33.8 Million in 2013. Total revenue increased due to a reversal of the allowance for impairment of receivables as well as dividend income.

Interest income for the first semester of 2016 was P189.7 million. Interest income for the year 2015 was P16.7 million compared to P15.5 million in 2014 and P16.5 million in 2013. Interest income has traditionally represented the bulk of the Company's revenues.

Total comprehensive income for the first semester of 2016 is P17.7 million; while in 2015, it was negative P9.3 million, from P8.2 million in 2014 and, from P67.4 million in 2013.

**Expenses:** The cost of service in 2015 was considerably less at P0.9 million compared to P5.3 million and P4.3 million in 2014 and 2013. In the first semester of 2016, the cost of service was P61.1 million.

Total general and administrative expenses for the first semester of 2016 were recorded at P22 million while the same expense was recorded at P29.5 million in 2015, P32.8 million in 2014 and P40 million in 2013.

**Operating and Net Income/Loss:** As previously stated, the company's operations consisted mainly of interest income on its money market placements and bank deposits, and gains from securities trading.

The Company realized a net gain of P232 million during the first quarter of 2016 from its operating activities compared to the net gain of P0.7 million during the 1<sup>st</sup> semester of 2015. In 2014, the Corporation registered a net income of P5 million and P73 million in 2013.

**Income Statement**  
(P million)

	2013	2014	2015	1 <sup>st</sup> Sem 2016
Revenue	33.8	43.6	29.9	207.3
Cost of Service	(4.3)	(5.3)	(0.9)	(71.4)
Gross Profit	29.5	38.2	29.0	135.9
General & Administrative	(40.5)	(32.8)	(29.5)	(22)
Other Income (Expenses)	84.2	.000098	0.67	119
Income (Loss) before Income Tax	73.2	5.4	0.22	233

Provision for Tax	(.212)	(.413)	(0.46)	(23.9)
Net Income (Loss)	73.0	5.0	0.97	209
Unrealized Gain (loss) on Changes in Fair Values of AFS Financial Assets	(5.5)	3.2	(10)	17.7
<b>NET INCOME/(LOSS)</b>	<b>67.4</b>	<b>8.2</b>	<b>(9.3)</b>	<b>226</b>

### Financial Position

The company's comparative balance sheet is summarized below:

#### Balance Sheet (PMillion)

	2013	2014	2015	1 <sup>st</sup> Sem 2016
Current Assets	412.5	421.4	462.8	330.7
Notes & Interest Receivable	5	34	39	39
Available-for-sale financial assets	303.4	343.6	298.0	670.7
Property & Equipment	.02	.769	0.12	.09
Investment in Properties	120.9	116.6	112.2	110.1
Other Assets	89.9	12	5.5	-
<b>Total Assets</b>	<b>931.7</b>	<b>930.9</b>	<b>920.2</b>	<b>1,151</b>
Liabilities	12.4	2.4	2.3	4.7
Deposit for Future Subscription	18.9	18.9	18.9	18.9
Unrealized gain (loss) on changes in fair values of AFS financial assets	9.7	13	2.6	22.9
<b>Stockholders' Equity</b>	<b>900.4</b>	<b>909.4</b>	<b>898.7</b>	<b>1,128</b>

#### Balance Sheet Accounts

**Current Assets:** Current assets of the Corporation as of the first semester of 2016 totaled P330.7 million compared to P462.8 million in 2015, P421.4 in 2014 and P412.5 million in 2013. With cash and cash equivalents at P227.8 million for the first semester of 2016, the Corporation has sufficient cash resources to meet any expected requirement during the next twelve (12) months. Cash and cash equivalents totaled P245.1 million at year-end 2015, compared to P219. 1 million at year-end 2014 and P313.3 million at year-end 2013. AFS financial assets increased to P670.7 million for the first semester of 2016, compared to P298 million in 2015, from P343.5 million in 2014 and P303 million in 2013.

**Liabilities:** The Corporation is substantially debt-free and has no material commitments for capital expenditures. Trade and other payables in the first semester of 2016 is P2.8 million while in 2015, 2014 and 2013, the figures are P1.0 million, P1.1 million and P8 million, respectively.

**Deposit for Future Subscription:** This represents the excess amount of the market value of the two properties which Philcomsat contributed in exchange for the number of the Corporation's shares received; as such, this amount is for the account of Philcomsat's future subscription to Corporation's common shares.

**Stockholders' Equity:** This is the residual balance sheet amount after subtracting Liabilities from Assets. For the first semester of 2016, this amounted to P1,128 million, while in 2015, 2014 and 2013, it amounted to P898.8 million, P908.7 million, P900.4 million respectively.

#### Key Performance Indicators (KPI)

The Corporation's **consolidated** KPI for the 1<sup>st</sup> semester of 2016 and for the years 2015 and 2014 are as follows:

Performance Indicator	Formula	2 <sup>nd</sup> Q 2016	2 <sup>nd</sup> Q 2015	1 <sup>st</sup> Q 2016	1 <sup>st</sup> Q 2015	CY 2015	CY 2014
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	70.18:1	214.39:1	19.21:1	190.42:1	200.94:1	175.10:1
Asset to Equity Ratio	$\frac{\text{Total Assets}}{\text{Total Equity}}$	1.02:1	1.02:1	1.05:1	1.02:1	1.02:1	1.02:1
Debt to Equity Ratio	$\frac{\text{Debt}}{\text{Equity}}$	0.02:1	0.02:1	0.05:1	0.02:1	0.02:1	0.02:1
Gross Profit Ratio	$\frac{\text{Gross Profit}}{\text{Revenue}}$	47%	73%	67%	78%	97%	87.75%
Interest Rate Coverage Ratio	$\frac{\text{Earnings before Interest Expense and Taxes}}{\text{Interest Expense}}$	NA	NA	NA	NA	NA	NA

#### Liquidity

Owing to an increase in accounts payable and accrued expenses primarily to trust and brokers' fees payable, accrued dues and subscriptions, taxes and other government payables, the Company's current ratio decreased from 175.09:1 in 2014 and 200.94:1 in 2015 to 70.18:1 in the 1<sup>st</sup> semester of 2016. Nonetheless, the Company's liquidity position remains strong.

#### Leverage

Leverage was the same at .02:1 in the 1<sup>st</sup> semester of 2016 and for the years 2015 and 2014. The Company's leverage position is negligible.

There are no known trends, events, or uncertainties that will have a material impact on liquidity or that will trigger direct or contingent financial obligation that is material to the company, or any off-balance sheet transactions, arrangements, obligations and other relationships of the company with unconsolidated entities or persons during the reporting period, or material commitments for capital expenditures.

The Corporation's **parent-only** KPI for the 1<sup>st</sup> semester of 2016 and for the years 2015 and 2014 are as follows:

Performance Indicator	Formula	2 <sup>nd</sup> Q 2016	2 <sup>nd</sup> Q 2015	1 <sup>st</sup> Q 2016	1 <sup>st</sup> Q 2015	CY 2015	CY 2014
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	3.36:1	174.52:1	17.91:1	170.23:1	135.31:1	158.22:1
Asset to Equity Ratio	$\frac{\text{Total Assets}}{\text{Total Equity}}$	1.12:1	1.02:1	1.15:1	1.02:1	1.02:1	1.02:1
Debt to Equity Ratio	$\frac{\text{Debt}}{\text{Equity}}$	0.12:1	0.023:1	0.15:1	0.023:1	0.024:1	0.023:1
Gross Profit Ratio	$\frac{\text{Gross Profit}}{\text{Revenue}}$	78%	68.37%	67%	82.2%	100%	89.52%
Interest Rate Coverage Ratio	$\frac{\text{Earnings before Interest Expense and Taxes}}{\text{Interest Expense}}$	NA	NA	NA	NA	NA	NA

Insofar as the performance of its subsidiaries is concerned, the KPI of Philcomsat Management Enterprises, Inc. are as follows:

Performance Indicator	Formula	2 <sup>nd</sup> Q 2016	2 <sup>nd</sup> Q 2015	1 <sup>st</sup> Q 2016	1 <sup>st</sup> Q 2015	CY 2015	CY 2014
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	2.23:1	0.02:1	2.21:1	0.01:1	1.82:1	1.15:1
Asset to Equity Ratio	$\frac{\text{Total Assets}}{\text{Total Equity}}$	3.28:1	2.02:1	3.75:1	2.02:1	2.01:1	2.03:1
Debt to Equity Ratio	$\frac{\text{Debt}}{\text{Stockholders Equity}}$	2.28:1	1.02:1	2.75:1	102:1	1.01:1	1.03:1
Gross Profit Ratio	$\frac{\text{Gross Profit}}{\text{Revenue}}$	40.74%	100%	100%	100%	24%	100%
Interest Rate Coverage Ratio	$\frac{\text{Earnings before Interest Expense and Taxes}}{\text{Interest Expense}}$	NA	NA	NA	NA	NA	NA

\*PMEI was incorporated only in April 2014 and commenced operations only in the last quarter of 2014.

The KPI of Professional Stock Transfer, Inc. are as follows:

Performance Indicator	Formula	Jun 2015	Jun 2014	Mar 2015	Mar 2014	2014-2015	2013-2014
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	6.6:1	10.83:1	12.46:1	10.22:1	6.6:1	10.83:1
Asset to Equity Ratio	$\frac{\text{Total Assets}}{\text{Total Equity}}$	1.24:1	1.18:1	1.16:1	1.09:1	1.24:1	1.18:1
Debt to Equity Ratio	$\frac{\text{Debt}}{\text{Stockholders Equity}}$	0.24:1	0.18:1	0.16:1	0.09:1	0.24:1	0.18:1
Gross Profit Ratio	$\frac{\text{Gross Profit}}{\text{Revenue}}$	52.6%	61.8%	4.19%	-0.3%	52.6%	61.8%
Interest Rate Coverage Ratio	$\frac{\text{Earnings before Interest Expense and Taxes}}{\text{Interest Expense}}$	NA	NA	NA	NA	NA	NA

\* PSTI's fiscal year is from July 1 to June 30.

#### INFORMATION ON INDEPENDENT ACCOUNTANT

##### (a) Audit and Audit-related Fees

1. The audit of the Corporation's annual financial statements or services that are normally provided with statutory and regulatory filings or engagements for those fiscal years:

The Corporation engaged the services of the independent auditors Reyes Tacandong & Co. to audit its financial statements which comprise the statement of financial position, statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes comprising a summary of significant accounting policies and other explanatory information and to render an opinion on the said statements for the two (2) years ended December 2015 and 2014 and for which the aggregate amount billed in Philippine Pesos was: 978,381

For the years 2014 and 2013, the Corporation's independent auditor was Mendoza Querido & Co. for which the aggregate amounts billed in Philippine Pesos were:

2014	2013
510,000	512,738

2. Other assurance and related services by the external auditor that are reasonably related to the performance of the audit or review of the Corporation's financial statements. The Corporation shall describe the nature of the services comprising the fees disclosed under this category.

For the year 2015, none.

For the year 2014, none.

For the year 2013, none.

##### (b) Tax Fees

The Corporation did not engage the services of the external auditors on the services described above for the two (2) years 2015 and 2014.

##### (c) All Other Fees

The Corporation did not need any products or services described above, hence there were no fees paid to the external auditor/s other than those reported under (a) and (b) above for the two (2) years 2015 and 2014.

- (d) The audit committee reviews the requirements of the corporation for audit and audit related services and approves the fees prior to the auditor undertaking the work.



## MARKET PRICE AND DIVIDENDS

### (1) Market Information

- a. Principal Market
  - i. The principal market where the Corporation's common equity is traded is the Philippine Stock Exchange
  - ii. There have been no high and sales prices for the last two fiscal years and subsequent interim periods as trading of the Corporation's common equity has been suspended since 2 May 2007.
- b. The last trade price of the Corporation's shares on 2 May 2007 was P1.40.

### (2) Holders

- a. As of 31 October 2016, there are 1,176 holders of the Corporation's shares. The Corporation only issues common shares.
- b. As of 31 October 2016, the top twenty (20) shareholders are as follows:

Name	Shares Held	%
Philcomsat	796,595,590	79.94
Prudencio Somera	100,000,100	10.03
Oliverio Laperal	49,556,500	4.97
PCD Nominee (Fil)	16,274,534	1.58
RCBC T/A 236-235	4,802,413	0.48
E. R. Yap	4,000,000	0.40
M. Olondriz y Cia	2,985,600	0.29
Jose M. Ozamiz	2,700,000	0.27
RCBC T/A 36-250	2,689,000	0.26
Phil Oil Dev Corporation	1,500,000	0.15
Imperial Resources	800,000	0.08
Oliverio Laperal Jr.	776,743	0.07
Benjamin Co Ca & Co.	504,300	0.05
Regina Concepcion	481,000	0.04
Rosa Maria Laperal	448,000	0.04
Alexandra Laperal	440,000	0.04
Ansaldo Godinez & Co.	332,550	0.03
Nenita Dacillo	320,000	0.03
Bridgestone Securities	307,425	0.03
RCBC T/A 138	300,000	0.03

### (3) Dividends

There have been no cash dividends declared during the 2 most recent years. There is no restriction that limits payment of dividends on common shares.

### (4) Recent Sales of Unregistered or Exempt Securities

There have been no recent sales of unregistered or exempt securities or recent issuances of securities constituting an exempt transaction.

## Item 22. Corporate Governance

### 1. Evaluation System

The Corporation adheres to the highest principles of good corporate governance as embodied in its By-Laws and Corporate Governance Manual. It subscribes to the philosophy of integrity, accountability and transparency in its manner of doing business dealing fairly with its clients, investors, stockholders, the communities affected by its various activities. The Corporation espouses

professionalism among the members of its Board of Directors, executives and employees in managing the Corporation and its subsidiaries and respect for laws and regulations.

The Corporation has adopted the Revised Corporate Governance Manual aligned with recently issued regulatory guidelines. The Corporation's Compliance Officer evaluates and monitors compliance with the Manual and other regulatory guidelines by the Corporation and its directors and responsible officers.

## **2. Measures to comply with leading practices on good corporate governance**

The Corporation ensures that its Board of Directors and officers are kept abreast of developments in Corporate Governance through attendance in seminars and programs. For the year 2015, the Directors and responsible officers attended a Corporate Governance Seminar conducted by the Center for Global Best Practices. The Board of Directors and the key officers of the Corporation are advised to undergo continued training in corporate governance.

## **3. Any deviation from the Manual of Corporate Governance**

There are no material deviations from the Corporation's Manual of Corporate Governance noted by the Corporation's Compliance Officer.

## **4. Any plan to improve corporate governance**

The Corporation intends to update its policies and procedures in accordance with the corporate governance guidelines of the SEC and the Philippine Stock Exchange, with the philosophy of integrity, accountability and transparency.

**A copy of the Corporation's Annual Report or SEC Form 17-A, as well as the 1<sup>st</sup> and 2<sup>nd</sup> Quarter Reports for 2016, will be sent together with this information statement. A copy of the 3<sup>rd</sup> Quarter Report for 2016 will be made available at the meeting.**

THE CORPORATION WILL PROVIDE WITHOUT CHARGE TO EACH PERSON UPON WRITTEN REQUEST OF ANY SUCH PERSON, ADDITIONAL COPIES OF THE CORPORATION'S ANNUAL/QUARTERLY REPORT OR SEC FORM 17-A/17-Q. SUCH WRITTEN REQUEST SHOULD BE DIRECTED TO THE OFFICE OF THE CORPORATE SECRETARY AT THE 12/F TELECOM PLAZA BUILDING, 316 SEN. GIL PUYAT AVENUE, MAKATI CITY.

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

25 October 2016.

**FOR THE BOARD OF DIRECTORS:**

**VICTORIA C. DE LOS REYES**  
Corporate Secretary

  
**JOHN BENEDICT L. SIOSON**  
Assistant Corporate Secretary