



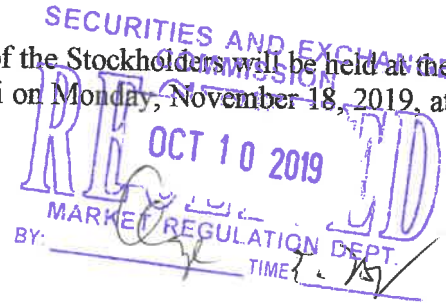


# PHILCOMSAT HOLDINGS CORPORATION

12F Telecom Plaza Bldg., Sen. Gil Puyat Ave. 1200 City of Makati, Manila, Philippines  
Tel. No.: 815-8406; Fax No. : 816-2517

## 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 18, 2019, at 10:00 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 19, 2018.
4. Notation and Approval of Management Report and Audited Financial Statements for period ending December 31, 2018.
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 11 October 2019 will be entitled to notice and to vote at this meeting.

Makati City, 9 September 2019.

FOR THE BOARD OF DIRECTORS

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

**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 8 November 2019. Validation of proxies shall be held at the same office on 13 November 2019 at 8:00 A.M.



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## EXPLANATION OF AGENDA ITEMS

1. **CALL OF MEETING TO ORDER.** The Chairman will call the meeting to order.
2. **CERTIFICATION OF NOTICE AND QUORUM.** The Corporate Secretary will certify on the date when written notice of the time, date, place and purpose of the meeting was sent to all stockholders of record as of 11 October 2019, as attested by the courier service engaged by the Company.

The Corporate Secretary will further certify the presence of a quorum. The presence of stockholders holding a majority of the capital stock then issued, outstanding and entitled to vote, either represented in person or by proxy, shall constitute a quorum for the valid transaction of business.

The following are the rules of conduct and procedures at the meeting:

- (i) Anyone who wishes to make a remark shall identify himself after being acknowledged by the Chair and shall limit his remarks to the item in the agenda under consideration.
- (ii) On the voting procedures, each stockholder will be given a ballot to enable the stockholder to vote in writing per item in the agenda or under consideration.
- (iii) All the items in the agenda requiring approval by the stockholders will need the affirmative vote of stockholders representing at least a majority of the issued and outstanding voting stock. Election of directors will be by plurality of votes and every stockholder will be entitled to cumulate his votes. Each outstanding share of stock entitles the registered stockholder to one vote. The Office of the Corporate Secretary will tabulate all votes received and will validate the results.

3. **APPROVAL OF THE MINUTES OF THE ANNUAL MEETING OF THE STOCKHOLDERS ON 19 NOVEMBER 2018.** Copies of the minutes of the stockholders' meeting held on 19 November 2018 will be distributed to the stockholders before the meeting. Likewise, the minutes of the meeting are available at the Corporation's website, [www.phc.com.ph](http://www.phc.com.ph).
4. **ANNUAL REPORT OF OFFICERS AND AUDITED FINANCIAL STATEMENTS.** The President/Chief Executive Officer, or the Treasurer/CFO, will deliver a report to the stockholders on the highlights of the Y2018 company performance as reflected in the audited financial statements, and the outlook for Y 2019 and Y2020.

The stockholders will be given an opportunity to ask questions prior to the submission of the Annual Report and the Audited Financial Statements for approval. Copies of the Annual Report and Audited Financial Statements will be distributed to the stockholders together with the Notice, and are available at the Corporation's website, [www.phc.com.ph](http://www.phc.com.ph)

5. **APPROVAL OF ACTS, PROCEEDINGS, RESOLUTIONS OF THE BOARD OF DIRECTORS, OFFICERS AND COMMITTEES.** A summary of the acts, proceedings and resolutions to be approved by the stockholders is in the information statement and published on the corporation's website.
6. **ELECTION OF DIRECTORS (INCLUDING THE INDEPENDENT DIRECTORS).** In accordance with the By-laws of the Corporation, the Manual of Corporate Governance, and the SEC Rules, any stockholder including minority stockholders, may submit to the Nomination committee the names of nominees to the Board of Directors on or before 4 November 2019. The Nomination Committee, in the exercise of its assigned task, will determine whether the nominees for the Board of Directors all qualified before submitting the nominees for election by the stockholders of the 11 members of the Board of Directors including the 3 independent directors. Copies of the *curriculum vitae* and profiles of the nominees to the Board of Directors will be provided in the Information Statement and on the Corporation's website for examination by the stockholders.
7. **ELECTION OF INDEPENDENT AUDITORS.** The Audit Committee will endorse to the stockholders the appointment of the Independent Auditor for the ensuing year as well as the proposed remuneration of the Independent Auditor. The profile of the Independent Auditor will be provided in the Information Statement and on the Corporation's website for examination by the stockholders.
8. **CONSIDERATION OF SUCH OTHER BUSINESS AS MAY PROPERLY COME BEFORE THE MEETING.** The Chairman will open the floor for comments and questions by the stockholders. Stockholders may also propose to consider such other relevant matters or issues.
9. **ADJOURNMENT.** Upon determination that there are no other matters to be considered, and on motion by a stockholder duly seconded, the Chairman shall declare the meeting adjourned.



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Tel. No.: 815-8406; Fax No. : 816-2517

## 2019 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 18, 2019 and at any adjournment thereof for the purpose of acting on the following matters:

1. Approval of minutes of previous meeting.

Yes     No     Abstain

Withhold authority to vote for all nominees

2. Approval of annual report and F/S

Yes     No     Abstain

Withhold authority to vote for the nominees listed below:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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  
Erlinda I. Bildner  
Pablo L. Lobregat  
Marietta K. Ilusorio  
Daniel C. Gutierrez  
Jullie Yap Daza  
Oliverio L. Laperal, Jr.  
Santiago J. Ranada  
Jose Ramon C. Ozamiz  
Prudencio C. Somera, Jr.  
Victoria C. de los Reyes

5. Election of Mendoza, Querido & 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 8, 2019, 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**

SECURITIES AND EXCHANGE  
COMMISSION  
**RECEIVED**  
OCT 10 2019  
MARKET REGULATION DEPT  
BY: [Signature] TIME: 3:15

1. Check the appropriate box:  
 Preliminary Information Statement  
 Definitive Information Statement
2. Name of Corporation as specified in 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) 8815-8406**
8. Date, time and place of the meeting of security holders: **18 November 2019, 10:00 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: **18 October 2019**
10. In case of Proxy Solicitations: **N/A**  
 Name of Person filing the Statement  
 Address and Telephone Number:
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 : 18 November 2019

TIME : 10:00 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 11 October 2019 no later than 18 October 2019.

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

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

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.

There is no matter that will be discussed during the meeting that will give rise to the exercise of a stockholder's appraisal right.

**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 August 31, 2019, 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 11 October 2019 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 August 2019.

<b>Class</b>	<b>Name/Address of Registered Owner and Relationship with Issuer</b>	<b>Name of Beneficial Owner and Relationship with Beneficial Owner</b>	<b>Citizenship</b>	<b>No. of Shares</b>	<b>%</b>
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	796,595,590	79.95%
common	Prudencio C. Somera Jr., c/o 316 Sen. Gil Puyat Avenue, Makati [R]	n/a	Filipino	100,000,100	10.04%

The following lists the security ownership of Management (Directors and Officers) of the Corporation as of 31 August 2019:

<b>Class</b>	<b>Name</b>	<b>Amount and Nature of Beneficial Ownership</b>	<b>Citizenship</b>	<b>%</b>
Common	Prudencio C. Somera, Jr.	R	Filipino	10.04%
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	Pablo L. Lobregat	R	Filipino	Neg
Common	Oliverio L. Laperal Jr.	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	10.04%

The foreign ownership level in the Corporation is 0.08% as of 31 August 2019.

## 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, 59, Filipino	Chairman	April 2007 to Present	President and CEO- Philippine Overseas Telecommunication Corporation, President and CEO-Montemar Beach Club, Inc., Director and CFO-Philippine Communications Satellite Corporation, President and CEO-JAKA Group of Companies. Ms. Ponce-Enrile has a degree in Political Science from the University of the Philippines.
Ramon P. Jacinto, 74, Filipino	Director	December 2007 to Present	Presidential Adviser on Economic Affairs and Information Technology Communications; Chairman and CEO - RJ Group of Companies, Rajah Broadcasting Work, RJ Music City, RJ Holdings, Inc., and RJ Venture Realty, Inc. Mr. Jacinto graduated from the Ateneo de Manila University with a degree in Economics.
Erlinda I. Bildner, 73, Filipino	Director	April 2007 to Present	President and CEO-Philippine Communications Satellite Corporation, Vice-Chair and Director-Philippine Overseas Telecommunication Corporation, Director-Montemar Beach Club, Inc., Director and Chair, Finance Committee – Baguio Country Club. Ms. Bildner has an MBA from Columbia University, New York.
Daniel C. Gutierrez, 64, Filipino	Director	December 2007 to Present	Partner-Soo Gutierrez Leogardo & Lee Law Offices; Law Professor and Bar Reviewer- Arellano University, Director- IBP, former Trustee-GSIS. Atty. Gutierrez graduated from the University of the Philippine College of Law.
Marietta K. Ilusorio, 68, Filipino	Director	May 2010 to Present	Director and Vice President, Philippine Overseas Telecommunication Corporation; Director and Vice-President, Philippine Communications Satellite Corporation; Director, Montemar Beach Club, Inc. Ms. Ilusorio graduated from Judson School, Scottsdale, Arizona.
Julie Y. Daza, 77, Filipino	Director	December 2015 to Present	Journalist, editor-in-chief, columnist, book author, and award-winning television talk show host. Ms. Daza graduated summa cum laude in Literature, major in Journalism, from the University of Sto. Tomas.
Pablo L. Lobregat, 65, Filipino	Director	April 2007 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 Telecommunication Corporation. Mr. Lobregat received his degree in Business Management from the Instituto Catolico de Artes Empresariales in Madrid, Spain.
Oliverio L. Laperal, Jr., 70, Filipino	Director	November 2017 to present	Co-President and Director of Imperial Resources; Co-President and Managing Director of Filipinas Golf & Country Club; President & Managing Director of R.S. Video & Film Productions. Mr. Laperal has an MBA from Cornell University, New York.
Prudencio C. Somera, Jr. 74, Filipino	Director	August 2004 to Present	Director – TKC Steel Corporation; Licensed Stockbroker; Columnist – Philippine Daily Inquirer. Mr. Somera holds an MBA from the University of the Philippines.
Santiago J. Ranada, 82, Filipino	Director	December 2013 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. Justice Ranada graduated from the Ateneo College of Law.
Jose Ramon C. Ozamiz, 61, Filipino	Director	December 2013 to Present	Surgeon – Makati Medical Center; 23 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. Dr. Ozamiz finished his medical degree from the Cebu Institute of Medicine.

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

- a. Ramon P. Jacinto – President
- b. Katrina C. Ponce-Enrile – Chairman and 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

Name, Age and Citizenship	Position	Period Served	Professional and Business Experience
Ramon P. Jacinto, 74, Filipino	President	December 2007 to Present	Presidential Adviser on Economic Affairs and Information Technology Communications; Chairman and CEO - RJ Group of Companies, Rajah Broadcasting Work, RJ Music City, RJ Holdings, Inc., and RJ Venture Realty, Inc. Mr. Jacinto graduated from the Ateneo de Manila University with a degree in Economics.
Katrina C. Ponce-Enrile, 59, Filipino	Executive Vice- President	April 2007 to Present	President and CEO- Philippine Overseas Telecommunication Corporation, President and CEO-Montemar Beach Club, Inc., Director and CFO-Philippine Communications Satellite Corporation, President and CEO-JAKA Group of Companies. Ms. Ponce-Enrile has a degree in Political Science from the University of the Philippines.

Erlinda I. Bildner, 73, Filipino	Treasurer/ CFO	April 2007 to Present	President and CEO-Philippine Communications Satellite Corporation, Vice-Chair and Director-Philippine Overseas Telecommunication Corporation, Director-Montemar Beach Club, Inc., Director and Chair, Finance Committee – Baguio Country Club. Ms. Bildner has an MBA from Columbia University, New York.
Manolita L. Morales, 61 Filipino	Asst. Treasurer	May 2010 to Present	Treasurer – Philippine Overseas Telecommunication Corporation; Asst. Treasurer – Philippine Communications Satellite Corporation; Ms. Morales holds an MBA from the University of the Philippines.
Victoria C. de los Reyes, 69, Filipino	Corporate Secretary	December 2007 to Present	Partner, Roxas de los Reyes Laurel & Rosario Law Office, Atty. de los Reyes graduated with a Master of Law degree from the University of Michigan.
John Benedict L. Sioson, 51, Filipino	Asst. Corporate Secretary	December 2007 to Present	Legal Counsel, Philcomsat Group of Companies. Vice-President for Internet Marketing – Key Discovery Consulting, Inc. Atty. Sioson holds an MBA from the École Supérieure de Commerce de Paris.

(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 to which the Corporation is a party is contained in the attached Annual Report (SEC Form 17-A).

(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 Ramon P. Jacinto, Jr. (Chairman), Julie Yap-Daza, Pablo L. Lobregat and Marietta K. Ilusorio. Written nominations for the position of director of the Corporation are accepted until the close of business hours on 4 November 2019 at the principal office of the Corporation. Philcomsat (through its President, Ms. Erlinda I. Bildner) has nominated the following as directors of the corporation for the ensuing year: Katrina C. Ponce-Enrile, Erlinda I. Bildner, Pablo L. Lobregat, Santiago J. Ranada, Daniel C. Gutierrez, Marietta K. Ilusorio, Prudencio C. Somera, Victoria C. de los Reyes, Oliverio Laperal, Jr., Jose Ramon Ozamiz and Julie Yap-Daza, with the last three (3) as independent directors of the Corporation. Mr. Laperal, Dr. Ozamiz and Ms. Daza are not related to either Philcomsat or to Ms. Bildner.

(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 related party transactions are enumerated in Note 16 of the attached Audited Financial Statements. Among these transactions are a promissory note from MBCI that bears interest at 5%, cash advances to Philcomsat and MRDC and a lease agreement for the rent of office space with Philcomsat. 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 arrangement 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 2017:

NAME	POSITION	SALARY	ALLOWANCE	BONUS	TOTAL
RAMON JACINTO	President				
KATRINA PONCE-ENRILE	Chairman/EVP				
ERLINDA I. BILDNER	Treasurer				
MANOLITA L. MORALES	Asst. Treasurer				
VICTORIA DE LOS REYES	Corporate Secretary				
All the above-named officers as a Group		4,680,000	3,000,000	0	7,680,000
All the other officers as a Group unnamed		1,200,000	2,760,000	0	3,960,000
Total		5,880,000	5,760,000	0	11,640,000

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				
OLIVERIO L. LAPERAL, JR. **					
MARIETTA K. ILUSORIO	Director				
JOSE RAMON OZAMIZ	Director				
SANTIAGO RANADA	Director				
PRUDENCIO SOMERA	Director				
TOTAL		4,200,000	5,580,000	0	9,780,000

\* until November 20, 2017

\*\* from November 20, 2017

The following lists the compensation of the directors and executive officers for 2018:

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	2,250,000	0	5,770,000
All the other officers as a Group unnamed		135,000	2,410,000	0	2,545,000
Total		3,655,000	4,660,000	0	8,315,000

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				
SANTIAGO RANADA	Director				
PRUDENCIO SOMERA	Director				
TOTAL		3,655,000	4,660,000	0	8,315,000

The following lists the compensation of the directors and executive officers for 2019 (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	2,250,000	0	5,770,000
All the other officers as a Group unnamed		135,000	2,410,000	0	2,545,000
Total		3,655,000	4,660,000	0	8,315,000

NAME	POSITION	SALARY	ALLOWANCE	BONUS	TOTAL
KATRINA PONCE ENRILE	Director				
RAMON P. JACINTO	Director				
ERLINDA I. BILDNER	Director				
DANIEL GUTIERREZ	Director				
PABLO LOBREGAT	Director				
OLIVERIO L. LAPERAL, JR.	Director				
JULIE DAZA	Director				
MARIETTA K. ILUSORIO	Director				
JOSE RAMON C. OZAMIZ	Director				
SANTIAGO J. RANADA	Director				
PRUDENCIO SOMERA	Director				
TOTAL		3,655,000	4,660,000	0	8,315,000

The directors and executive officers do not receive any bonus, profit sharing, options, warrants or right to purchase securities of the Corporation, nor are they covered by any pension or retirement plan.

## **Item 7. Independent Public Accountants**

The present external auditor of the Corporation is Reyes Tacandong & Co. Inasmuch as Reyes Tacadong & Co. has been the external auditor of the Corporation since 2015 and to comply with SRC Rule 68 on the rotation of external auditors after five (5) years, Management recommends the appointment of Mendoza Querido & Co. as the Corporation's external auditor for the ensuing year.

There have been no disagreements with the accountants on any accounting and financial disclosure during the two most recent fiscal years or any subsequent interim period.

The Audit Committee of the Corporation is composed of Ms. Jullie Y. Daza (independent), Justice Santiago Ranada, Ms. Erlinda I. Bildner, Dr. Jose Ramon Ozamiz (independent) and Mr. Oliverio Laperal, Jr. (independent).

## **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**

No action is intended to be taken with respect to securities that will require a financial report or summary other than that already included in this Information Statement or in the attached Annual Report, Audited Financial Statements and Quarterly Reports.

### **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 19 November 2018 where the following matters were approved and/or ratified:
  - a. Approval of the Minutes of the Annual Stockholders' Meeting held on 20 November 2017;
  - b. Approval of the Management Report and Audited Financial Statements for the period ending 31 December 2017;
  - 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, 2018;
  
- (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 as reflected in the Minutes of the Board Meetings held on the following dates:
  - a. 10 November 2019
    - i. Opening and maintaining bank accounts and updating bank signatories;
    - ii. Opening and entering into investments management agreements with banks;
    - iii. Appointing lawyers for its cases;
  
  - b. 4 April 2019
    - i. Approving Financial Statements;
    - ii. Opening and entering into investment management agreements for the purchase of financial products
    - iii. Appointing a proxy for stockholders' and members' meetings in which the Corporation is a stockholder or member;

c. 12 July 2019

- i. Recommendation to the stockholders for a change in external auditor
- ii. Convening of the Annual Stockholders' Meeting;

(4) Election of the 11 members of the Board of Directors, including the three (3) 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 2018 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) of 2019.

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.

**(a) Full Fiscal years**

**Revenues:** In the fiscal year ended December 31, 2018, the Corporation generated revenue of P48.6 million compared to P40.9 million in the year ended December 31, 2017 and P42.7 million in the year ended December 31, 2016. Interest income from money market placements and deposits for the year 2018 was P30.9 million compared to P25.3 million in 2017 and P16.3 million in 2016. Interest income from money market placements and deposits traditionally represent the bulk of the Company’s revenue.

In 2017, as a result of a settlement of a loan receivable, the Corporation recorded a gain of P151.3. In 2016, the gain was P273 million as well as a reversal of allowance for doubtful accounts in the amount of P125 million. In 2018, the Corporation recorded a gain on the sale of its investment property of P99.1 million. These extraordinary gains are one-time events and are unlikely to be repeated in the coming years.

**Expenses:** Costs and expenses amounted to P36.4 million in 2018 compared to P45.4 million in 2017 and P68.4 million in 2016.

**Operating and Net Income/Loss:** For the last 3 fiscal years, revenue exceeded costs and expenses for the first time in 2018. The net loss for 2017 and 2016 were offset however by the gains on the settlement of the loans receivable and the reversal of allowance for doubtful accounts, thus resulting in positive net income for both years. Net income in 2018 was P94 million compared to P117.8 million in 2017 and P322.6 million in 2016.

**Income Statement (Consolidated)**  
**(P Million)**

	<b>2018</b>	<b>2017</b>	<b>2016</b>
Revenue	48.6	40.9	42.7
Cost of Service	(36.4)	(45.4)	(68.5)
Settlement of L/R	0.0	151.2	273.0
Other Income/Reversals	101.6	(0.7)	125.0
Gross Profit	113.8	146.0	372.3
Provision for Tax	(19.7)	(28.1)	(49.7)
Net Income (Loss)	94.0	117.8	322.6
Other Comprehensive Income (Loss)	(45.8)	21.7	(18.9)
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>48.2</b>	<b>139.6</b>	<b>303.6</b>

**Financial Position**

The company's comparative balance sheet is summarized below:

**Balance Sheet (Consolidated)**  
**(P Million)**

	<b>2018</b>	<b>2017</b>	<b>2016</b>
Current Assets	429.7	330.4	288.4
Available-for-sale financial assets	922.8	879.3	784.0
Property & Equipment	0.4	0.5	0.0
Investment Properties	0.0	103.6	108.0
Receivables	62.0	56.0	47.0
Other Assets	4.0	4.2	1.4
<b>Total Assets</b>	<b>1,419.0</b>	<b>1,374.0</b>	<b>1,228.9</b>
Current Liabilities	10.3	12.5	7.6
Deposit for Future Subscription	18.9	18.9	18.9
Unrealized gain on changes in fair values of AFS financial assets	(39.8)	5.4	(16.3)
<b>Stockholders' Equity</b>	<b>1,389.0</b>	<b>1,342.8</b>	<b>1,218.7</b>

**Balance Sheet Accounts (Consolidated)**

Current Assets: Current assets of the Corporation as of December 31, 2018 totalled P429 million compared to P330 million in 2017 and P258.2 million in 2016. The Corporation has sufficient cash resources to meet any expected requirement during the next twelve (12) months. Cash and cash equivalents was P290.6 million at year-end 2018, compared to P104.9 million at year-end

2017 and P74.5 million in 2016. AFS financial assets totaled P922.8 million in 2018, compared to P879.3 million in 2017 and P784 million in 2016.

**Liabilities** :The Corporation is substantially debt-free and has no material commitments for capital expenditures. Total current liabilities in 2018 was P10.3 million compared to P12.5 million in 2017 and P2.4 million in 2016. The decrease in current liabilities was due to the release of the security deposit to the Corporation’s tenant as a result of the sale of the investment property.

**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. Stockholders’ equity slightly increased to P1,389 billion in 2018 from P1,342 billion in 2017 and P1,200 billion in 2016.

#### Key Performance Indicators (“KPI”)

The Company’s KPI for the years ended December 31, 2018, 2017 and 2016 follow:

<b>Performance Indicator</b>	<b>Formula</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<i>Liquidity</i>				
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	41.42:1	26.3:1	37.6:1
<i>Leverage</i>				
Debt to Equity Ratio	$\frac{\text{Total Liabilities}}{\text{Stockholders' Equity}}$	0.02:1	0.02:1	0.02:1
Asset to Equity Ratio	$\frac{\text{Total Assets}}{\text{Total Equity}}$	1.02:1	1.02:1	1.02:1
<i>Profitability</i>				
Return on Assets	$\frac{\text{Net Income}}{\text{Total Assets}}$	6.62%	8.58%	26.2%
Return on Equity	$\frac{\text{Net Income}}{\text{Total Equity}}$	6.77%	8.78%	26.8%

#### Liquidity

The Company’s current ratio is 41.42 in 2018 compared to 26.3 in 2017 and 37.6 in 2016. The Company’s liquidity position remains strong.

#### Leverage

Leverage is very low at 0.02:1 in 2018, 2017 and 2016.

## Notes to Financial Statements

### *Accounting Policies and Principles*

The financial statements for the years 2018, 2017 and 2016 are presented in accordance with generally accepted accounting principles applied on a consistent basis.

### *Seasonality Aspects of the Business*

The operations of PHC are not affected by seasonality or cyclicity.

*Past and Future Financial Condition and Results of Operations* – For 2017 and 2016, please refer to the above discussion. For prior years, please refer to the Corporation's previous annual reports. Inasmuch as there are no known material events or commitments that are likely to affect the Corporation, it is expected that the future financial condition and results of operation would remain the same as the present.

### *Material Changes*

- (a) Any Known Trends, Events or Uncertainties (Material Impact on Liquidity)

There is no known trend, event or uncertainty that would have a material impact on liquidity.

- (b) Event that will trigger direct or contingent financial obligations that is material to the company, including any default or acceleration of an obligation

There is no event that will trigger direct or contingent financial obligations that is material to the company, including any default or acceleration of an obligation.

- (c) All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

There is no off-balance sheet transaction, arrangement, obligation or other relationship with unconsolidated entities or persons during the reporting period.

- (d) Material Commitments for capital expenditures and expected sources of funds for such expenditures.

The company has no material commitment for capital expenditures.

(e) Any Known Trends, Events or Uncertainties (Material Impact on Sales)

There is no known trend, event or uncertainty that will have a material impact on sales.

(f) Any Significant Elements of Income or Loss (from continuing operations)

There is no significant element of income from continuing operations except for payments on the loan receivable which were booked in 2017 and 2016 and the sale of the investment property in 2018.

(g) Causes for Any Material Changes from Period to Period of FS which shall include vertical and horizontal analyses of any material item (5%)

- a. Increase in current assets, particularly cash and cash equivalent is due to the proceeds of the sale of the Corporation's investment property, which in turn decreased the non-current assets.
- b. Decrease in goodwill is the result of the divestment by the Corporation's subsidiary, PMEI of its investment in a security agency.
- c. Decrease in Current Liabilities is the result of the return of a security deposit to the Corporation's former tenant.

(h) Seasonal Aspects that have a Material Effect on the FS

None.

**(b) Interim Periods**

**Revenues:** In the 2<sup>nd</sup> Quarter 2019, the Corporation generated P15.6 million in revenue consisting mainly of interest income thus bringing the total revenue for the 1<sup>st</sup> Semester 2019 to P30.2 million, while in the 2<sup>nd</sup> Quarter 2018, the revenue generated was P18.6 million while the total revenue of the 1<sup>st</sup> Semester 2018 was P28.3 million. Interest income from money market placements and deposits traditionally represent the bulk of the Corporation's revenue.

Net income for the 2<sup>nd</sup> Quarter 2019 was P7.5 million and the total net income for the 1<sup>st</sup> Semester 2019 was P15.7 million. Net income for the 2<sup>nd</sup> Quarter 2018 was P88.1 million and the net income for the 1<sup>st</sup> Semester 2018 was P90.2 million. The high net income in 2018 is due to

the sale of an investment property, which is a one-time event and is unlikely to be repeated in the future.

**Expenses:** Costs and expenses in the 2<sup>nd</sup> Quarter 2019 was P7 million and the total costs and expenses for the 1<sup>st</sup> Semester 2019 was P14 million; while in the 2<sup>nd</sup> Quarter 2018, costs and expenses was P11 million and the total for the 1<sup>st</sup> Semester 2018 was P20 million.

### Consolidated Income Statement (P million)

	2Q 2019	2Q 2018	1 <sup>st</sup> Sem 2019	1 <sup>st</sup> Sem 2018
Revenue	15.66	18.62	30.19	28.34
Cost of Service	(0.32)	(3.65)	(0.58)	(5.05)
General and Administrative Expenses	(7.02)	(39.13)	(13.79)	(20.83)
Gain on Investments	(1.55)	100.51	(1.32)	102.64
Income before Income Tax	7.09	107.39	14.49	110.15
Provision for Income Tax	0.43	(19.23)	1.23	(19.90)
Net Income	7.52	88.16	15.72	90.24
Other Income	11.53	(18.49)	30.99	(41.36)
<b>Total Comprehensive Income</b>	<b>19.06</b>	<b>69.67</b>	<b>46.73</b>	<b>48.88</b>

### Financial Position

The company's comparative balance sheet is summarized below:

### Consolidated Balance Sheet (P Million)

	2Q 2019	2Q 2018
Current Assets	402.51	531.69
Notes & Interest Receivable	55.00	52.00
Available-for-sale financial assets	1000.64	843.35
Property & Equipment	0.44	0.22
Investment Property	2.25*	103.64
Other Non-current Assets	2.43	1.31
<b>Total Assets</b>	<b>1463.27</b>	<b>1428.59</b>
Liabilities	10.73	18.04
Deposit for Future Subscription	18.89	18.89
Stockholders' Equity	1433.65	1390.91

*Note: The investment property of P2.25 million belongs to the Corporation's subsidiary, PMEI.*

### Balance Sheet Accounts

**Current Assets:** Current assets of the Corporation as of the 2<sup>nd</sup> Quarter 2019 totaled P402.51 million compared to P531.69 million in the same period 2018, This included Cash and cash equivalents of P266.43 million as of the 2<sup>nd</sup> Quarter 2019 compared to P433.11 in the same period 2018. The Corporation has sufficient cash resources to meet any expected requirement during the next twelve (12) months.

**Liabilities** : The Corporation is substantially debt-free and has no material commitments for capital expenditures. Accrued expenses and other current liabilities as of the 2<sup>nd</sup> Quarter 2019 amounted to P10.72 million compared to P18.04 million as of the 2<sup>nd</sup> Quarter 2018.

**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 which remains constant at P18.89 million.

**Stockholders' Equity** : This is the residual balance sheet amount after subtracting Liabilities from Assets. Total equity once again increased to P1,433.65 million as of the 2<sup>nd</sup> Quarter 2019 compared to P1,390.90 million in the same period 2018.

### **Key Performance Indicators (KPI)**

The Corporation's **consolidated** KPI as of the 1<sup>st</sup> and 2<sup>nd</sup> quarters of 2019 compared to the same period in 2018, and for the years ended 2018 and 2017 are as follows:

Performance Indicator	Formula	2 <sup>nd</sup> Q 2019	2 <sup>nd</sup> Q 2018	1 <sup>st</sup> Q 2019	1 <sup>st</sup> Q 2018	CY2018	CY2017
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	37.53:1	29.48:1	43.75:1	27.58:1	41.43:1	26.35:1
Asset to Equity Ratio	$\frac{\text{Total Assets}}{\text{Total Equity}}$	1.02:1	1.03:1	1.02:1	1.02:1	1.02:1	1.02:1
Debt to Equity Ratio	$\frac{\text{Debt}}{\text{Equity}}$	0.02:1	0.03:1	0.02:1	0.02:1	0.02:1	0.02:1
Net Profit Ratio	$\frac{\text{Net Profit}}{\text{Revenue}}$	0.52:1	3.18:1	0.56:1	0.21:1	1.94:1	2.88:1
Return on Assets	$\frac{\text{Net Income}}{\text{Total Assets}}$	1.07%	6.32%	0.57%	0.15%	6.62%	8.58%
Return on Equity	$\frac{\text{Net Income}}{\text{Total Equity}}$	1.10%	6.49%	0.58%	0.16%	6.77%	8.78%

### **Liquidity**

The Company's liquidity position remains strong at 37.53:1 as of the end of the first semester of 2019.

### **Leverage**

Leverage remains constant at 0.02:1 in the 1<sup>st</sup> semester of 2019. 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.

## **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 years ended December 2017 and December 2018 for which the aggregate amount billed in Philippine Pesos was P650,000.00 per year.

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 years 2017 and 2018, Reyes Tacandong & Co. was requested to perform a quarterly review of the financial statements of the Corporation. The fees for this service amounted to P150,000.00 per year.

### **(b) Tax Fees**

The Corporation did not require tax advisory services for the years 2017 and 2018.

### **(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 2017 and 2018.

- (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 August 2019, there are 1,175 holders of the Corporation's shares. The Corporation only issues common shares.
- b. As of 31 August 2019, the top twenty (20) shareholders are as follows:

Name	Shares Held	%
Philcomsat	796,595,690	79.94
Prudencio Somera	100,000,100	10.03
Oliverio Laperal	49,556,500	4.97
PCD Nominee (Fil)	15,864,534	1.58
RCBC T/A 236-235	4,802,413	0.48
M. J. Villarama	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
Agrifino T. Cheng	410,000	0.04
Ansaldo Godinez & Co.	332,550	0.03
Nenita Dacillo	320,000	0.03
Bridgestone Securities	307,425	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 by the Corporation 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**

For the year 2018, the Directors and key officers attended a Corporate Governance Seminar. The Board of Directors and the key officers of the Corporation are advised to undergo continued training in corporate governance to keep abreast of developments in Corporate Governance.

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

There have been 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 shall update its policies and procedures in accordance with current corporate governance guidelines of the SEC and the Philippine Stock Exchange, with the philosophy of integrity, accountability and transparency.

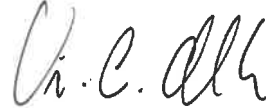
**A copy of the Corporation's Annual Report or SEC Form 17-A, as well as the 1<sup>st</sup> and 2<sup>nd</sup> Quarter Reports for 2019, will be sent together with this information statement. A copy of the 3<sup>rd</sup> Quarter Report for 2019 will be made available at the meeting as the same is still due for filing by 14 November 2019.**

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.

Makati City, 8 October 2019.

**FOR THE BOARD OF DIRECTORS:**



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



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