

**MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING OF
PHILCOMSAT HOLDINGS CORPORATION**

Held on 16 November 2020
By Remote Communication

NO. OF STOCKHOLDERS PRESENT AND VOTES CAST:

(Please refer to Annex "A")

I. CALL TO ORDER

The President, Ms. Katrina C. Ponce-Enrile, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Victoria C. de los Reyes, recorded the proceedings.

II. CERTIFICATION OF NOTICE AND QUORUM

Upon inquiry, the Corporate Secretary stated that, in accordance with the requirements of the Revised Corporation Code of the Philippines and SEC Notice dated April 20, 2020, stockholders were notified about today's meeting via an alternative mode or through publication of the Notice of Meeting in the Philippine Star and the Manila Times, both newspapers of general circulation, in both print and online format on October 22 and 23, 2020, which is at least twenty-one (21) days prior to today's meeting. Affidavits of Publication were issued by both newspapers and were hereby submitted for the record. In addition, notice of the meeting, the registration and proxy forms, the Definitive Information Statement and its attachment and the guidelines to participating in the meeting via remote communication were published on PSE Edge, the online disclosure system of the Philippine Stock Exchange, Inc., and the Corporation's website. She therefore certified that notice was duly sent.

The Corporate Secretary thereupon stated that, based on the attendance record and the proxies on hand, stockholders owning a total of 900,702,833 shares or 90.47% of the total issued and outstanding shares were present in person or represented by proxy at today's meeting. She thus certified that a quorum existed for the valid transaction of business at today's meeting.

III. APPROVAL OF MINUTES OF PREVIOUS MEETING

The Chairman announced that the next item in the Agenda is the approval of the Minutes of the Annual Stockholders' Meeting held on 18 November 2019. She said that a copy of the minutes has been posted on the Corporation's website since last year and that a summary of the items approved in the minutes was included in the Information Statement. She then inquired from the Secretary if she had already received the votes from the stockholders.

The Secretary advised the Chairman that stockholders representing a majority of the Corporation's outstanding stock submitted their proxy forms and ballots to the Corporation indicating their votes and that the Office of the Corporate Secretary manually tabulated such votes. She then stated that based on the proxies on hand, 90.47% of the total issued and outstanding shares voted in favor of the approval of the minutes of the Annual Stockholders' Meeting held on November 18, 2019.

Considering that a majority of the stockholders voted in favor of the approval of the minutes, the Minutes of the Annual Stockholders' Meeting held on 18 November 2019 was approved.

IV. MANAGEMENT REPORT

The Chairman announced that the next item in the Agenda was the Notation and Approval of the Management Report and Audited Financial Statements for the year ending December 31, 2019. She thereupon rendered the President's Report, a copy of which is attached hereto as Annex "B".

After her report, she called upon the Treasurer/CFO, Ms. Erlinda I. Bildner to render the Treasurer's Report. A copy of the Treasurer's Report is attached hereto as Annex "C".

After the conclusion of both reports, the Chairman inquired whether there were any questions. Hearing none, she inquired from the Secretary if she had already received the votes from the stockholders.

The Secretary advised the Chairman that stockholders representing a majority of the Corporation's outstanding stock submitted their proxy forms and ballots to the Corporation indicating their votes and that the Office of the Corporate Secretary manually tabulated such votes. She then stated that based on the proxies on hand, 90.47% of the total issued and outstanding shares voted in favor of the notation and approval of the Management Report and Audited Financial Statements for the year ending December 31, 2019.

Considering that a majority of the stockholders voted in favor of the notation and approval of the Management Report and Audited Financial Statements for the year ending December 31, 2019, the same were noted and approved.

V. APPROVAL, CONFIRMATION AND RATIFICATION OF ACTS OF THE BOARD OF DIRECTORS, BOARD COMMITTEES AND MANAGEMENT

The Chairman announced that the next item in the agenda is the approval, confirmation and ratification of the acts of the Board of

Directors, Officers and Management since the 2019 Annual Stockholders' Meeting as reflected in the minutes. A list of the acts is contained in the Definitive Information Statement that was published on PSE Edge and on the Corporation's website. She then inquired if there were any questions. Hearing none, she inquired from the Secretary if she had already received the votes from the stockholders.

The Secretary advised the Chairman that stockholders representing a majority of the Corporation's outstanding stock submitted their proxy forms and ballots to the Corporation indicating their votes and that the Office of the Corporate Secretary manually tabulated such votes. She then stated that based on the proxies on hand, 90.47% of the total issued and outstanding shares voted in favor of the approval, confirmation and ratification of the acts of the Board of Directors, Officers and Management since the 2019 Annual Stockholders' Meeting.

Considering that a majority of the stockholders voted in favor of their approval, confirmation and ratification, all the acts and proceedings of the Board of Directors, Officers and Management since the 2019 Annual Stockholders' Meeting were approved, confirmed and ratified.

VI. ELECTION OF DIRECTORS

The Chairman announced that the next item in the Agenda is the election of directors. The Secretary announced the nominees for the position of director who have been qualified by the Nominations Committee. They are:

Katrina Ponce-Enrile
Erlinda Bildner
Santiago Ranada
Marietta Ilusorio
Daniel Gutierrez
Pablo Lobregat
Prudencio Somera, Jr.
Victoria de los Reyes
Oliverio Laperal, Jr
Jose Ramon Ozamiz
Julie Yap-Daza

Dr. Ozamiz, Mr. Laperal and Ms. Daza are nominees for the position of independent director pursuant to the Manual on Corporate Governance and the Securities Regulation Code.

The Chairman then inquired from the Secretary if she had already received the votes from the stockholders.

The Secretary advised the Chairman that stockholders representing a majority of the Corporation's outstanding stock submitted their proxy forms and ballots to the Corporation indicating their votes and that the

Office of the Corporate Secretary manually tabulated such votes. She then stated that based on the proxies on hand, 90.47% of the total issued and outstanding shares voted in favor of the election of the nominees she just mentioned and that, there being no other nominee, she was pleased to proclaim the said nominees as elected directors for the ensuing year until after the election and qualification of their successors.

The Chairman congratulated the winners, and for the benefit of the stockholders present, once again read out the names of the elected directors:

Katrina Ponce-Enrile
Erlinda Bildner
Santiago Ranada
Marietta Ilusorio
Daniel Gutierrez
Pablo Lobregat
Prudencio Somera, Jr.
Victoria de los Reyes
Oliverio Laperal, Jr
Jose Ramon Ozamiz
Julie Yap-Daza

VII. APPOINTMENT OF EXTERNAL AUDITOR

The Chairman announced that the next item in the Agenda is the appointment of external auditor. She said Management recommends the appointment of Mendoza Querido & Co. as external auditor. She then inquired from the Secretary if she had already received the votes from the stockholders.

The Secretary advised the Chairman that stockholders representing a majority of the Corporation's outstanding stock submitted their proxy forms and ballots to the Corporation indicating their votes and that the Office of the Corporate Secretary manually tabulated such votes. She then stated that based on the proxies on hand, 90.47% of the total issued and outstanding shares voted in favor of the appointment of Mendoza Querido & Co. as external auditor.

Considering that a majority of the stockholders voted in favor of its appointment, the auditing firm of Mendoza Querido & Co. was appointed as external auditor of the Company.

The Chairman thereupon inquired whether there were other matters to be taken up at today's meeting to which the Secretary replied in the negative.

VIII. ADJOURNMENT

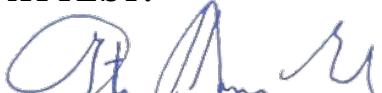
There being no further business to discuss, the meeting was adjourned.



VICTORIA C. DE LOS REYES

Corporate Secretary

ATTEST:



KATRINA C. PONCE-ENRILE

Chairman of the Meeting

ANNEX "A"



**PHILCOMSAT HOLDINGS CORPORATION
ANNUAL STOCKHOLDERS' MEETING
November 16, 2020
Total Outstanding Shares: 996,391,254**

TOTAL NUMBER OF VOTES

	<u>NO. OF SHARES</u>	<u>%</u>
PROXIES:	800,595,690	80.35%
IN PERSON:	100,807,143	10.12%
Total Votes	<u>901,402,833</u>	<u>90.47%</u>

Submitted by:



JENNY C. SERAFICA
President

DIRECTORS AND OFFICERS PRESENT:

Directors:

Katrina C. Ponce-Enrile
Erlinda I. Bildner
Santiago J. Ranada
Pablo L. Lobregat
Danilo C. Gutierrez
Marietta K. Ilusorio
Victoria C. de los Reyes
Jose Ramon C. Ozamiz
Julie Yap-Daza
Oliverio L. Laperal, Jr.
Prudencio C. Somera, Jr.

Officers:

Manolita L. Morales
Bernadette Y. Blanco
John Benedict L. Sison

ANNEX “B”

PRESIDENT’S REPORT November 16, 2020

I am pleased to report to you that the Company continued to invest in high yielding financial assets and consequently, its total assets increased from P1.42 Billion in 2018 to P1.48 Billion at year-end 2019. This resulted in an increase in the book value per share from P1.38 per share in 2018 to P1.45 per share in 2019. As you know, our Articles of Incorporation limit the Company’s activities to money market operations and investing in financial assets and stocks in other companies. Management carefully studies these opportunities and financial assets before deciding to invest our funds. While some may characterize our investment plan as conservative, we believe that it is this prudence on the part of Management that has allowed us to bring the Company to where it is today. For this, we would like to acknowledge the professionals and staff of the Company’s 80% owner, Philcomsat, who pitch in and work hard for the Company.

At the last Annual Stockholders’ Meeting, we reported that one investment opportunity that the Board and Management identified was partnering with Philcomsat on the Free WiFi for All project that the United Nations Development Programme and the Department of Information and Communication Technology awarded Philcomsat and its foreign partner, Speedcast Ltd. Owing to the limitations in the contracts between UNDP Speedcast and Philcomsat, our Company provided the corporate guarantee for Philcomsat. Philcomsat has however been working extremely hard to fulfill its obligations to minimize any risk to the Company and we expect that the guarantee will no longer be necessary and thus released sometime next year depending on how quickly the lockdowns are lifted in the communities where Philcomsat is tasked to install WiFi services.

Unfortunately, aside from Merry Mart and the Ayala REIT both of which we invested in, not many opportunities came up this year owing to the pandemic, so we do not think that we will experience the same growth this year compared to our previous years. As Management continues to seek investment opportunities that will maximize shareholder value, it is becoming apparent that our co-investing alongside our majority shareholder Philcomsat in select projects in the satellite communications industry -- a high-priority and growth sector in our economy – will position your Company for long-term growth and sustained development. Thus, we look forward to further participate in select telecommunications projects in the Duterte administration’s economic plan and in fulfillment of DICT’s mandate for connectivity in remote areas.

We would like to thank all our stockholders for their patience and confidence in the Board and Management team.

I will now turn the floor over to our CFO and Treasurer, Ms. Lin Bildner for the highlights of the Company's financial performance.

ANNEX "C"

TREASURER'S REPORT November 16, 2020

I am pleased to report the results of operations for 2019 and the first two quarters of 2020, copies of which are available on PSE Edge and our website.

In 2019, we recorded revenues of P58 Million from investments in financial instruments, an almost 20% increase over our 2018 revenue of P48 Million. Of this amount, P45 Million was from fixed-income financial instruments and P8 Million was from dividends. We recorded a 39% increase in income from fixed income instruments, from P37.7 Million in 2018 to P52.4 Million in 2019 despite a significant decrease in interest rates in the second semester. Consequently, our net income of P20.6 Million in 2019 increased retained earnings by 5.9%, from P432.2 Million in 2018 to P457.6 Million in 2019.

As stated by our Chairman earlier, our total asset level increased to P1.48 Billion at year-end 2019, a moderate increase of 4.3% from the previous year's level of P1.42 Billion. Please note that current assets, receivables, and financial assets at fair value make up 99.5% of our assets at P1.473 Billion which makes the Company very, very liquid. Shareholders' equity increased by 4.6% from P1.39 Billion in 2018 to P1.45 Billion at the end of 2019.

In the first two quarters of 2020, especially the second quarter which was affected by the Enhanced Community Quarantine, the company generated gross revenues of P26.5 Million from its liquid investments, a slight decrease from the P30 Million gross revenue over the same period in 2019. Total comprehensive income for that period was only P4.6 Million, or only a tenth of last year's figure of P46 Million mainly attributable to the effects of the pandemic which include the lowering of interest rates from 6% p.a. to 3% p.a.

Despite the disappointing numbers during the first half of 2020, we still consider ourselves more fortunate than other companies who sustained losses in the same period. Our diversified portfolio enabled us to minimize our risk exposure and maximize whatever gains can be achieved during these trying times. We expect to end the year with a respectable profit from operations.

Our third quarter report will be filed today and will be available for viewing by the stockholders on PSE Edge and on our website later this afternoon. Unfortunately, it is not included in my report for today but if

you have any questions on it later on, please feel free to email us and we will be happy to reply.

That concludes my report Madame Chairman.