

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

Held on 24 January 2022
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, welcomed the stockholders and acknowledged the presence of the Corporation's directors who were likewise virtually attending the meeting. With the Corporate Secretary, Atty. John Benedict L. Sioson, likewise visible to the stockholders, the President thereupon called the meeting to order and presided over the same. The Asst. Corporate Secretary, Atty. Jose Pio J. Seva, 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 December 22 and 23, 2021, which is at least twenty-one (21) days prior to today's meeting. Affidavits of Publication were issued by both newspapers and were 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. He 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 897,402,833 shares or 90.07% of the total issued and outstanding shares are present in person or represented by proxy at today's meeting. He 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 November 16, 2020. 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 he had already received the votes from the stockholders.

The Secretary, citing the requirement of Section 49 of the Revised Corporation Code, disclosed that there are 996,391,254 shares that are eligible to vote. Each share is entitled to one vote for the matters stated in the Agenda that require a vote, except for election of directors where stockholders may cumulate their votes in favor of any or all of the nominees for director. Stockholders were requested to submit their votes by January 14, 2022, and that the Office of the Corporate Secretary manually tabulated such votes. In reply to the Chairman's query, he said that based on the proxies on hand, at least 90.07% of the total issued and outstanding capital stock voted in favor of the approval of the minutes of the Annual Stockholders' Meeting held on November 16, 2020.

The Chairman then said that, 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 November 16, 2020 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, 2020. 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. The Secretary replied that no questions were received from the stockholders. The Chairman thereupon asked the Secretary if he had already received the votes from the stockholders.

The Secretary advised the Chairman that based on the votes submitted by the stockholders that were manually tabulated by the Office of the Corporate Secretary, 90.07% 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, 2020.

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, 2020, the same were noted and approved. The Chairman then advised the stockholders that if they would have questions after the meeting, they are free to email the Corporation and Management will be happy to answer them.

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 2020 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 from the Secretary if he had already received the votes from the stockholders.

The Secretary advised the Chairman that based on the votes submitted by the stockholders that were manually tabulated by the Office of the Corporate Secretary, 90.07% 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 2020 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 2020 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. She then asked the Secretary to read the names of the nominees.

Before reading out the names of the nominees, the Secretary said that, pursuant to the Revised Corporation Code, the SEC asked the Corporation's directors to conduct an assessment of their performance. He then flashed onscreen the results of the said assessment for the information of the stockholders. A copy of the said assessment is attached hereto as Annex "D".

The Secretary then 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 he had already received the votes from the stockholders.

The Secretary advised the Chairman that based on the votes submitted by the stockholders that were manually tabulated by the Office of the Corporate Secretary, 90.07% of the total issued and outstanding shares voted in favor of the election of the nominees he just mentioned and that, there being no other nominee, he 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 Isla Lipana & Co. as external auditor. She then inquired from the Secretary if he had already received the votes from the stockholders.

The Secretary advised the Chairman that based on the votes submitted by the stockholders that were manually tabulated by the Office of the Corporate Secretary, 90.07% of the total issued and outstanding shares voted in favor of the appointment of Isla Lipana & Co. as external auditor.

Considering that a majority of the stockholders voted in favor of its appointment, the auditing firm of Isla Lipana & 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.



JOHN BENEDICT L. SIOSON
Corporate Secretary

ATTEST:



KATRINA C. PONCE-ENRILE
Chairman of the Meeting/President

ANNEX "A"



Professional Stock Transfer, Inc.

CERTIFICATION

January 21, 2022

I, Jenny C. Serafica, of legal age, Filipino and with office address at Professional Stock Transfer, Inc., 10th Flr., Telecom Plaza Building, 316 Sen. Gil Puyat Avenue, Makati City, hereby certify that:

1. I am the President of Professional Stock Transfer, Inc. (PSTI) a corporation duly organized and existing under and by virtue of the laws of the Philippines.
2. PSTI is the stock transfer agent of **PHILCOMSAT HOLDINGS CORPORATION (PHC)** a corporation duly organized and existing under and by virtue of the laws of the Philippines with principal office at 12th Floor Telecom Plaza Bldg., 316 Sen Gil Puyat Ave., Makati City 1209.
3. as stock transfer agent of PHC, PSTI maintains the shareholdings records of the shareholders of PHC.
4. that the total shares represented in proxies and in persons for the Annual Stockholders Meeting of Philcomsat Holdings Corporation scheduled on January 24, 2022 is 897,402,833 shares equivalent to 90.07% of the total 996,391,254 outstanding shares of Philcomsat Holdings Corporation as of December 21, 2021

This certification is for the Annual Stockholders' Meeting of Philcomsat Holdings Corporation on January 24, 2022.

A handwritten signature in black ink, appearing to read 'Jenny C. Serafica'.

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. Sioson
Jose Pio J. Seva

ANNEX “B”**PRESIDENT’S REPORT**
January 24, 2022

I am pleased to report to you that the Company continues to invest in high yielding financial assets and consequently, its total assets increased from ₦1.48 billion at year-end 2019 to ₦1.5 billion at year-end 2020, and as of the 3rd Quarter of 2021, to ₦1.54 billion. This resulted in an increase in the book value per share from ₦1.45 per share in 2019 to the present ₦1.52 per share. 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 Limited, with our Company providing a corporate guarantee for Philcomsat. Unfortunately, owing to the problems that later surfaced involving Speedcast, the DICT and UNDP decided to terminate the project. Nonetheless, the amounts advanced towards this project by way of a loan to Philcomsat are interest-bearing at 5%, which will yield a higher gain for the Company than other financial instruments currently in the market. We have seen that the pandemic and the natural calamities opened many opportunities for Philcomsat whether it be for communication with disaster-stricken areas or for remote learning. Management believes that the Company can also benefit from these opportunities through a continued partnership with Philcomsat as interest rates on financial instruments which form the bulk of the Company’s income are currently low and we do not foresee them increasing soon. This is the only way we see for the Company to continue experiencing some growth. Rest assured, however, that we will continue to seek other investment opportunities that will maximize shareholder value, whether it be in the money market, financial instruments or in projects of our affiliates.

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 **January 24, 2022**

I am pleased to report the results of operations for 2020 and the first three quarters of 2021, copies of which are available on PSE Edge and our website.

In 2020, we recorded revenues of P54 million from investments in financial instruments, a slight decrease from our 2019 revenue of P58 million. Of this amount, P41million was from fixed-income financial instruments and P6.5 million was from dividends. We recorded an 8% decrease in income from fixed income instruments, from P52.4 million in 2019 to P47.9 million in 2020. Nevertheless, our net income of P18.8 million in 2020 increased retained earnings by 4%, from P457.6 million in 2019 to P478 million in 2020. We would like to remind our stockholders that 2020 was marked by 2 lockdown periods for which there were very few investment opportunities available and interest rates were down, thus the decrease in revenue for our Company.

As stated by our Chairman earlier, our total asset level increased to P1.5 billion at year-end 2020, a moderate increase from P1.48 billion at year-end 2019. Please note that current assets, receivables, and financial of P1.496B at fair value make up 99.68% of our assets, making the Company extremely liquid. Shareholders’ equity increased from P1.45 billion in 2019 to P1.47 billion at the end of 2020.

In the first three quarters of 2021, the company generated gross revenues of P33.6 million from its liquid investments, a slight decrease from the P38.6 million gross revenue over the same period in 2020. However, owing to an increase in other income and a decrease in costs and expenses, our net income increased from P12.4 million in 2020 to P14.4 million as of the 3rd quarter of 2021. By the end of the third quarter of 2021, our book value per share reached P1.52, a significant milestone, given that less than ten years ago, the book value had been languishing at well below par value owing to the years of profligate spending and plunder by the group of private directors and the PCGG who managed this company before our team took over. Thus, the steady rise in book value from P0.84 to P1.52 per share represents an 81% increase, a substantial appreciation to the value of PHC shares.

On the matter of our subsidiaries, I would like to report that Professional Stock Transfer had a very good year as of June 30, 2021. PSTI increased its net income from P258 thousand to over P1million. As a result, it was able to declare dividends twice in 2021, and again for a third time in December 2021, which contributed to the overall growth of our Company. PSTI’s client base also increased from 21 clients to 48 clients, and it was appointed Receiving Agent for the IPOs of seven listed companies this past year.

We consider ourselves more fortunate as our diversified portfolio, including the opportunity to finance some of the VSAT projects of our parent company Philcomsat, as alluded to by the Chairman, has enabled us to minimize our risk exposure and maximize whatever gains can be achieved during these trying times. While our auditors are still working on our financial statements, we are confident that we will end 2021 with a respectable profit from operations.

This concludes my report, Madame Chairman.



PHILCOMSAT HOLDINGS CORPORATION
Board of Directors
 ASSESSMENT

1 – Excellent/Strongly Agree | 2 – Above Average/Agree | 3 – Average/Neutral | 4 – Below Average/Disagree | 5 – Needs Improvement / Strongly Disagree

• **Self Assessment**

Statement	Average Rating
I understand the vision, mission and strategies of the Company	1.6
I understand the duties and responsibilities as a director and member of the Board	1.16
I keep myself updated on developments in good corporate governance	1.3
I have adequate working knowledge of the statutory and regulatory requirements affecting the Company	1.3
I actively participate in Board/Committee meeting/s and deliberation/s	1.4
I am committed to carrying out my duties and responsibilities as a director and/or member of Committee/s in the best interest of the Company	1.16
I ensure confidentiality of information acquired by reason of my position as a member of the Board	1
I avoid situation/s that may place my interest/s in conflict with the Company, and ensure that I will immediately disclosure such conflict that occurs, if any	1

• **Board**

Statement	Average Rating
The size and composition of the Board is sufficient to bring the required knowledge, skills, abilities and diversity	1.5
The Board possesses the necessary skills to address the current issues of the company	2
The directors have sufficient independence to ensure that the Board and management are performing their respective duties and responsibilities in accordance with the company's strategic direction	1.8
The Board receives continuing education to update directors of relevant developments that impact the company	2.16
Board meetings are scheduled and held in such frequency and duration sufficient to ensure proper coverage of the Board's responsibilities	1.8
The Board continuously monitors the implementation of plan/s, strategy/ies, and/or proposal/s to determine the necessity of adjusting the same accordingly to adapt to circumstance/s	2
The Board is committed to good corporate governance and ensures that the Company is operated in accordance therewith	1.3

• **Committees**

Statement	Average Rating
The power delegated to the Committees is appropriate and effective	1.8
The Committees provide the Board with regular reports and updates, or information on developments that may require immediate board action and/or approval	1.6
Committee meetings are scheduled and held in such frequency and duration sufficient to ensure proper coverage of each Committee's responsibilities	1.8

• **Management**

Statement	Average Rating
The Board effectively monitors, manages, and evaluates management's performance	2.2
Management provides the Board with regular reports and updates, or information on developments that may require immediate board action and/or approval	1.6
The Board is confident in Management's ability to carry out its plan/s, strategy/ies, target/s, and goal/s, in line with the interest of the Company	1.3