

**MINUTES OF THE ANNUAL MEETING OF THE STOCKHOLDERS  
OF PHILWEB CORPORATION**

Held on 12 August 2020 at 10:00 a.m.  
by remote communication

**1. Call to Order**

The Chairman, Mr. Gregorio Ma. Araneta III, called the meeting to order and presided over the same. The Corporate Secretary, Mr. Raymund S. Aquino, acted as the secretary of the meeting and recorded the minutes of the proceedings.

**2. Proof of Notice and Certification as to Quorum**

The Corporate Secretary, Mr. Raymund S. Aquino, certified that Notice of Annual Meeting of the Stockholders was duly published in the business sections of BusinessWorld and Daily Tribune on July 20, 2020 and July 21, 2020, in print and online format. He also said that electronic copies of the Corporation's Information Statement and Management Report, Annual Report (SEC Form 17-A) and the 2019 Audited Financial Statements are in the Corporation's website and PSE Edge. There being present, in person or by proxy, stockholders owning 966,365,582 shares representing at least 67.31% of the capital stock, he therefore certified that a quorum was present for the transaction of business. (The list of stockholders present or represented at the meeting is available at the office of the Corporation.)

**3. Approval of Minutes of the Annual Meeting of the Stockholders on 21 May 2019**

The next item on the agenda was the approval of the minutes of the Annual Meeting of the Stockholders held on 21 May 2019.

Considering that the minutes had earlier been distributed to the stockholders and the electronic copy of the same is in the Corporation's website, upon motion made and duly seconded, the reading of the minutes of the last Annual Meeting of the Stockholders was dispensed with and the same was unanimously approved.

**4. Management Report for the year ended December 31, 2019**

The next item on the agenda was the Management Report. The Company's President, Mr. Edgar Brian K. Ng, reported on the operational highlights of the past year and the Company's financial condition based on audited financial statements for the year ended December 31, 2019. Revenue grew by 27% from 425 million pesos in 2018 to 540 million pesos in 2019. EBITDA grew by 529%. Mr. Ng highlighted that the Company was achieving continuous monthly Net Income from October 2019 to February 2020, with the exception of December 2019 due to one-time year-end accounting and financial reporting adjustments.

Thereafter, upon motion duly made and seconded, the Management Report was noted and made part of the records of the Corporation.

**5. Ratification and Approval of Corporate Acts**

The next item on the agenda was the ratification and approval of corporate acts.

Upon motion duly made and seconded, all the acts, proceedings, transactions, and agreements, authorized and entered into by the Board of Directors, Executive Committee and Officers of the Corporation, for and on behalf of the Corporation, from the last Annual Meeting of the Stockholders to date, were approved, confirmed and ratified by the stockholders.

**6. Election of Directors**

The next item on the agenda was the election of the members of the Board of Directors of the Corporation.

Upon motion duly made and seconded, the following were nominated to be elected as members of the Board of Directors for the current year:

**For Regular Directors:**

1. Gregorio Araneta III
2. Crisanto Roy B. Alcid
3. Edgar Brian k. Ng
4. Edgar N. Ang
5. Luis M. Araneta

**For Independent Directors:**

1. Mario A. Oreta
2. Rafael B. Ortigas
3. Philip S. Tuazon
4. William M. Valtos, Jr.

There being no other nominees, and since there were only nine (9) nominees for eleven (11) positions, upon motion made and duly seconded, the Corporate Secretary was directed by the Chairman to cast the votes of all those present and represented at the meeting equally among the above-named individuals who were thereby unanimously elected as members of the Board of Directors for the current year, to act as such until their successors are duly elected and qualified in accordance with the By-Laws.

**7. Amendment of the Seventh Article of the Articles of Incorporation to Reclassify some Unissued Common Shares to Preferred Shares**

The next item on the agenda was the amendment to the Articles of Incorporation of the Company, specifically the Seventh Article, to reclassify some unissued common shares to preferred shares as follows: "SEVENTH: That the capital stock of said Corporation is TWO BILLION SIX HUNDRED MILLION PESOS (P2,600,000,000.00), Philippine Currency, consisting of One Billion Eight Hundred Fifty Million (1,850,000,000) common shares with a par value of One Peso (P1.00) per share and Seven Hundred Fifty Million (750,000,000) preferred shares with a par value of One Peso (P1.00) per share.

The preferred shares shall have the following features, rights and privileges:

- a) Issue value to be determined by the Board of Directors at the time of issuance of shares;
- b) Dividend rate to be determined by the Board of Directors at the time of the issuance of the shares;
- c) Cumulative in payment of current dividends as well as any unpaid back dividends;
- d) Convertible into common shares;
- e) Preferences over holders of common stock in the distribution of corporate assets in the event of dissolution and liquidation of the Corporation and in the payment of the dividend at the rate specified at the time of issuance;
- f) Participating in any other or further dividends beyond those specifically payable on the shares;
- g) Non-voting except in those cases specifically provided by law; and
- h) Redeemable at the option of the Corporation under such terms that the Board of Directors may approve at the time of the issuance of the shares."

Upon motion duly made and seconded, the Seventh Article of the Articles of Incorporation of the Company was amended to read as follows: "SEVENTH: That the capital stock of said Corporation is TWO BILLION SIX HUNDRED MILLION PESOS (P2,600,000,000.00), Philippine Currency, consisting of One Billion Eight Hundred Fifty Million (1,850,000,000) common shares with a par value of One Peso (P1.00) per share and Seven Hundred Fifty Million (750,000,000) preferred shares with a par value of One Peso (P1.00) per share.

The preferred shares shall have the following features, rights and privileges:

- a) Issue value to be determined by the Board of Directors at the time of issuance of shares;
- b) Dividend rate to be determined by the Board of Directors at the time of the issuance of the shares;
- c) Cumulative in payment of current dividends as well as any unpaid back dividends;
- d) Convertible into common shares;
- e) Preferences over holders of common stock in the distribution of corporate assets in the event of dissolution and liquidation of the Corporation and in the payment of the dividend at the rate specified at the time of issuance;
- f) Participating in any other or further dividends beyond those specifically payable on the shares;

- g) Non-voting except in those cases specifically provided by law; and
- h) Redeemable at the option of the Corporation under such terms that the Board of Directors may approve at the time of the issuance of the shares.”

**8. Amendment of Section Four, Article II of the By-laws of the Corporation by Allowing Distribution of Notice of Meeting by Electronic Mail**

The next item on the agenda was the amendment to Section 4, Article II of the By-laws of the Company by allowing distribution of notice of meeting by electronic mail so that the said section shall now read as follows: “Section 4. Notice of Meeting – Notices for regular or special meetings of stockholders may be sent by the Corporate Secretary by personal delivery, mail, electronic mail or such other manner as may be allowed by the Securities and Exchange Commission at least ten (10) days prior to the date of the meeting to each stockholder of record at his last known post office address or by publication in a newspaper of general circulation. The notice shall state the place, date and hour of the meeting, and the purpose or purposes for which the meeting is called. In case of a special meeting, only matters stated in the notice may be the subject of motions or deliberate at such meeting.

When the meeting of stockholders is adjourned to another time or place, it shall not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken except when the meeting is adjourned for lack of quorum, in which case, the provisions of Section 5 of this Article shall govern. At the reconvened meeting, any business may be transacted which might have been transacted on the original date of the meeting.

The notice of any regular or special meeting of the stockholders shall be deemed to have been given at the time when delivered personally or deposited in the post office, or sent electronically or by e-mail and addressed as herein provided.”

Upon motion duly made and seconded, Section 4, Article II of the By-laws of the Company was amended to read as follows: “Section 4. Notice of Meeting – Notices for regular or special meetings of stockholders may be sent by the Corporate Secretary by personal delivery, mail, electronic mail or such other manner as may be allowed by the Securities and Exchange Commission at least ten (10) days prior to the date of the meeting to each stockholder of record at his last known post office address or by publication in a newspaper of general circulation. The notice shall state the place, date and hour of the meeting, and the purpose or purposes for which the meeting is called. In case of a special meeting, only matters stated in the notice may be the subject of motions or deliberate at such meeting.

When the meeting of stockholders is adjourned to another time or place, it shall not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken except when the meeting is adjourned for lack of quorum, in which case, the provisions of Section 5 of

this Article shall govern. At the reconvened meeting, any business may be transacted which might have been transacted on the original date of the meeting.

The notice of any regular or special meeting of the stockholders shall be deemed to have been given at the time when delivered personally or deposited in the post office, or sent electronically or by e-mail and addressed as herein provided.”

**9. Amendment of Section Five, Article II of the By-laws of the Corporation by Allowing Participation in Meeting through Remote Communication**

The next item on the agenda was the amendment to Section 5, Article II of the By-laws of the Company by allowing participation in meeting through remote communication so that the said section shall now read as follows: “Section 5. Quorum- Unless otherwise provided by law, in all regular or special meetings of stockholders, a majority of the outstanding capital stock must be present or represented in order to constitute a quorum. If no quorum is constituted, the meeting shall be adjourned by those present and a notice of such adjourned meeting shall be sent to all stockholders with a statement that the previous meeting failed for lack of a quorum and that a new meeting is being set on such time, date and place indicated in the notice. Then at such adjourned meeting, except as may be otherwise required by law, any number of stockholders present in person or proxy shall constitute a quorum. A stockholder who participates through remote communication or *in absentia* shall be deemed present for purposes of quorum.”

Upon motion duly made and seconded, Section 5, Article II of the By-laws of the Company was amended to read as follows: “Section 5. Quorum- Unless otherwise provided by law, in all regular or special meetings of stockholders, a majority of the outstanding capital stock must be present or represented in order to constitute a quorum. If no quorum is constituted, the meeting shall be adjourned by those present and a notice of such adjourned meeting shall be sent to all stockholders with a statement that the previous meeting failed for lack of a quorum and that a new meeting is being set on such time, date and place indicated in the notice. Then at such adjourned meeting, except as may be otherwise required by law, any number of stockholders present in person or proxy shall constitute a quorum. A stockholder who participates through remote communication or *in absentia* shall be deemed present for purposes of quorum.”

**10. Amendment of Section Seven, Article II of the By-laws of the Corporation by Allowing Voting in Meeting through Remote Communication**

The next item on the agenda was the amendment to Section 7, Article II of the By-laws of the Company by allowing voting in meeting through remote communication so that the said section shall now read as follows: “Section 7. Manner of Voting – At all meetings of stockholders, a stockholder may vote in person or by proxy executed in writing by the stockholder or his duly authorized attorney-in-fact or by remote communication or *in absentia*

subject to compliance with rules and regulations as may be issued by the Securities and Exchange Commission.”

Upon motion duly made and seconded, Section 7, Article II of the By-laws of the Company was amended to read as follows: “Section 7. Manner of Voting – At all meetings of stockholders, a stockholder may vote in person or by proxy executed in writing by the stockholder or his duly authorized attorney-in-fact or by remote communication or *in absentia* subject to compliance with rules and regulations as may be issued by the Securities and Exchange Commission.”

**11. Amendment of Section Eight, Article III of the By-laws of the Corporation by Replacing “Conference Call” with “Remote Communication”**

The next item on the agenda was the amendment to Section 8, Article III of the By-laws of the Company by replacing “conference call” with “remote communication” so that the said section shall now read as follows: “Section 8. Quorum – A majority of the number of directors as fixed in the Articles of Incorporation shall constitute a quorum for the transaction of corporate business, and every decision of at least a majority of the directors present at a meeting at which there is a quorum shall be valid as a corporate act, except for the election of officers which shall require the vote of a majority of all members of the Board. Directors may participate in board meetings by remote communication.”

Upon motion duly made and seconded, Section 8, Article III of the By-laws of the Company was amended to read as follows: “Section 8. Quorum – A majority of the number of directors as fixed in the Articles of Incorporation shall constitute a quorum for the transaction of corporate business, and every decision of at least a majority of the directors present at a meeting at which there is a quorum shall be valid as a corporate act, except for the election of officers which shall require the vote of a majority of all members of the Board. Directors may participate in board meetings by remote communication.”

**12. Delegation of the Power to Amend, Modify, Repeal or Adopt New By-Laws to the Board of Directors**

The next item on the agenda is the delegation of the power to amend, modify, repeal or adopt new by-laws to the Board of Directors. Note that any such power delegated to the Board of Directors may be revoked by the vote of stockholders representing a majority of the outstanding capital stock at a regular or special meeting.

Upon motion duly made and seconded, the power to amend, modify, repeal or adopt new by-laws is delegated to the Board of Directors.

**13. Appointment of External Auditor**

Upon motion duly made and seconded, the accounting firm of Reyes Tacandong & Co. was appointed as the external auditor of the Corporation for the current year.

**14. Adjournment**

There being no further business to transact before the stockholders, upon motion made and duly seconded, the meeting was adjourned.

**ATTEST:**



**Gregorio Ma. Araneta III**  
Chairman



**Raymund S. Aquino**  
Corporate Secretary