

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

Held on 21 May 2019 at 10:00 a.m.

34<sup>th</sup> Floor, Citibank Tower, 8741 Valero Street, Salcedo Village, Makati City, Philippines

**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 Notices of Annual Meeting of the Stockholders were sent to all stockholders at their respective addresses on record, in accordance with the By-Laws. There being present, in person or by proxy, stockholders owning 1,071,313,812 shares representing at least 74.62% 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 30 July 2018**

The next item on the agenda was the approval of the minutes of the Annual Meeting of the Stockholders held on 30 July 2018.

Considering that the minutes had earlier been distributed to the stockholders, 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, 2018**

The next item on the agenda was the Management Report. The Company's President, Mr. Dennis O. Valdes, 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, 2018. Revenue grew by 32% while cost and expenses decreased by 8%. EBITDA grew by 199%.

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 Ma. Araneta III
2. Crisanto Roy B. Alcid
3. Dennis O. Valdes
4. Edgar N. Ang
5. Luis M. Araneta

**For Independent Directors:**

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

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. 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.

**8. Other matters**

Ms. Tomasa Lapain, representing Shareholders Association of the Philippines, asked if the Corporation is affected by the issue on Philippine Offshore Gaming Operators (POGO). Mr. Valdes explained that the Corporation is not affected since the Corporation is not into POGO. He further explained that POGO licensees cater to operations that are outside of the Philippines, while all of the Corporation's e-Games are within the Philippines.

Mr. George Tan congratulated the board for turning around the situation of the Corporation. He asked if the trajectory will continue. Mr. Valdes replied in the affirmative as long as new eGames sites are acquired or established.

**9. 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