

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 20-IS
INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

- Preliminary Information Statement
 Definitive Information Statement

2. Exact name of the Registrant as specified in its charter: **PHILWEB CORPORATION**

Province, Country or other jurisdiction of Industry Classification Code Incorporation or Organization: **Philippines**

4. SEC Identification Number: **39121**

5. BIR Tax Identification Number: **000-141-527-000**

6. Address of principal office: **41st Floor, One San Miguel Avenue Condominium, San Miguel Avenue corner Shaw Boulevard, Ortigas Center, Pasig City, Philippines**

7. Registrant's Telephone No.: **(632) 82365577**

8. Date, time and place of the meeting of security holders: **August 12, 2020 at 10:00 a.m. at 6/F Adamson Centre, 121 Leviste Street, Salcedo Village, Makati City, Philippines and shall be conducted by remote communication. Thus, the stockholders may only attend by remote communication or by appointing the Chairman as proxy.**

9. Approximate date on which the Information Statement is first to be sent or given to security holders: **July 20, 2020**

10. Securities registered pursuant to Sections 4 and 8 of the RSA:

Title of Each Class	Number of Shares of Common Stock Outstanding
Common Stock P1.00 par value	1,435,776,680 common shares (net of treasury shares of 81,380,938)

11. Are any or all these securities listed on the Philippine Stock Exchange:

Yes No

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

INFORMATION STATEMENT

GENERAL INFORMATION

Date, Time and Place of Meeting of Security Holders

The annual stockholders' meeting will be held on August 12, 2020 at 10:00 a.m. at 6/F Adamson Centre, 121 Leviste Street, Salcedo Village, Makati City, Philippines by remote communication. Due to the COVID-19 pandemic, the Corporation will dispense with the physical attendance of the stockholders at the meeting. Thus, the stockholders may only attend by remote communication or by appointing the Chairman as proxy.

The complete mailing address of the principal office of the Corporation is 41st Floor, One San Miguel Avenue Condominium, San Miguel Avenue corner Shaw Boulevard, Ortigas Center, Pasig City, Philippines.

The approximate date when the information statement will be first sent to security holders will be on July 20, 2020.

Participation by Remote Communication

The 2020 Annual Stockholders' Meeting will be conducted by remote communication via Zoom. The stockholders may attend and participate at the meeting by following the instructions below:

- a. Stockholders should notify the Corporation by sending an email to corpsec@philweb.com.ph on or before 29 July 2020.
- b. All successfully registered stockholders will receive an invitation by email containing the link to the meeting and password and the meeting procedures.
- c. Stockholders who have notified the Corporation and were registered will be included in the determination of the existence of a quorum.
- d. Stockholders who intend to attend and vote by proxy should submit their proxies to the Office of the Corporate Secretary at 41st Floor, One San Miguel Avenue Condominium, San Miguel Avenue corner Shaw Boulevard, Ortigas Center, Pasig City, Philippines or email to corpsec@philweb.com.ph not later than 29 July 2020 at 5:00 p.m.
- e. The meeting shall be recorded in audio and video formats and copies thereof shall be retained by the Corporation.

Dissenters' Right of Appraisal

There is an amendment to the Seventh Article of the Articles of Incorporation to reclassify some unissued common shares to preferred shares that will be taken up during the annual stockholders' meeting with respect to which the law allows the exercise of appraisal right by any dissenting stockholder. The Corporation Code limits the exercise of the appraisal right to the following instances:

- a. In case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of share, or of authorizing preferences in respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
- b. In case of the sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets;
- c. In case of merger or consolidation;
- d. In case of investment of corporate funds for any purpose other than the primary purpose of the corporation.

Since the said amendment to be taken up is included in the foregoing, the appraisal right will be available. Any stockholder who voted against the proposed action and who wishes to exercise such right must make a written demand, within thirty (30) days after the date of the meeting or when the vote was taken, for the payment of the fair market value of his shares. Upon payment, he must surrender his certificates of stock. No payment shall be made to any dissenting stockholder unless the Company has unrestricted retained earnings in its books to cover such payment.

Further, if at any time after this Information Statement has been sent out, an action which may give rise to the right of appraisal is proposed at the meeting, any stockholder who voted against the proposed action and who wishes to exercise such right must make a written demand, within thirty (30) days after the date of the meeting or when the vote was taken, for the payment of the fair market value of his shares. Upon payment, he must surrender his certificates of stock. No payment shall be made to any dissenting stockholder unless the Company has unrestricted retained earnings in its books to cover such payment.

INTEREST OF CERTAIN PERSONS IN OR OPPOSITION TO MATTERS TO BE ACTED UPON

The directors, officers, nominees for directors and their associates do not have a substantial interest, direct or indirect, by security holdings or otherwise in any matter to be acted upon, other than election to office.

No person has informed the Corporation in writing that he intends to oppose any action to be taken by the Corporation at the meeting.

CONTROL AND COMPENSATION INFORMATION

Voting Securities and Principal Holders Thereof

There are 1,435,776,680 outstanding common shares (net of treasury shares of 81,380,938) as of June 30, 2020 entitled to notice and to vote during the meeting. Each common share is entitled to one vote, except with respect to the election of directors where the stockholders are entitled to cumulative voting. There is no classification of voting securities.

The record date to determine the stockholders entitled to notice and to vote at the meeting is on June 30, 2020.

The election of the members of the board of directors for the current fiscal year will be taken up and all stockholders have the right to cumulate their votes in favor of their chosen nominees for director in accordance with Section 24 of the Revised Corporation Code. Section 24 provides that a stockholder, may vote such number of shares registered in his name as of the record date for as many person 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 to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit. The total number of votes cast by such stockholders should not exceed the number of shares owned by him as shown in the books of the corporation multiplied by the whole number of directors to be elected.

No person has informed the Corporation in writing that he intends to oppose any action to be taken by the Corporation at the meeting.

Security Ownership of Certain Record and Beneficial Owners and Management

(1) Security Ownership of Certain Record and Beneficial Owners

As of June 30, 2020, the Corporation knows of no one who beneficially owns more than 5% of its common stock except as set forth in the table below:

<i>Title of Class</i>	<i>Name and Address of Record Owner and Relationship with Issuer</i>	<i>Name of Beneficial Owner and Relationship with Record Owner</i>	<i>Citizenship</i>	<i>Amount and Nature of Record / Beneficial Ownership (indicate "r" or "b")</i>	<i>Percent Held</i>
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Common	Gregorio Araneta, Incorporated 21/F Citibank Tower, PASEO de Roxas, Makati City Stockholder	Gregorio Araneta III Proxy/Representative	Filipino	784,695,474 (r&b - direct)	54.65%
Common	PhilWeb Casino Corporation 6/F Adamson Centre, 121 L.P. Leviste Street, Salcedo Village, Makati City Stockholder	Edgar Brian K. Ng Proxy/Representative	Filipino	157,044,156 (r&b - direct)	10.94%
Common	Palmary Corporation 1466 General Luna Street, Paco, City of Manila Stockholder	Perry Weinne S. Lato Proxy/Representative	Filipino	97,333,333 (r&b - direct)	6.78%

(2) Security Ownership of Management

As of June 30, 2020, the following are the details of the security ownership of Management based on total outstanding shares of 1,435,776,680:

<i>Title of Class</i>	<i>Name of Beneficial Owner</i>	<i>Citizenship</i>	<i>Number of Shares and Nature of Beneficial Ownership</i>	<i>Percentage of Ownership</i>
Common	Gregorio Ma. Araneta III Chairman/CEO	Filipino	100 (direct) 784,695,474 (indirect)	0.00% 54.65%
Common	Crisanto Roy B. Alcid Vice Chairman	Filipino	100 (direct)	0.00%
Common	Edgar Brian K. Ng Director/President	Filipino	301,500 (direct)	0.02%
Common	Edgar N. Ang Director	Filipino	50,000 (direct)	0.00%
Common	Luis M. Araneta Director	Filipino	100 (direct)	0.00%
Common	Mario A. Oreta Independent Director	Filipino	1 (direct)	0.00%
Common	Rafael B. Ortigas Independent Director	Filipino	1,200 (direct)	0.00%
Common	Philip S. Tuazon Independent Director	Filipino	371,500 (direct)	0.00%
Common	William M. Valtos, Jr.	Filipino	100 (direct)	0.00%

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Common	Independent Director Alexius D. Coliat. CFO/Treasurer	Filipino	0 (direct)	0.00%
Common	Ricky e. Rosario CFO/Comptroller	Filipino	0 (direct)	0.00%
Common	Mona Liza I. Navarro Vice President	Filipino	11,500 (direct)	0.00%
Common	Raymund S. Aquino Corporate Secretary/Vice President	Filipino	114,866 (direct)	0.01%
Aggregate Ownership of Directors and Officers as a Group			785,771,741	54.72%

There are no voting trust agreements or any other similar agreement that may result in a change in control of the Company of which the Company has any knowledge. No change in control of the Corporation has occurred since the beginning of its last fiscal year.

Directors and Executive Officers

PhilWeb's Board of Directors is composed of 9 members elected by and from among the Company's stockholders. The Board is responsible for providing overall management and direction to the Company.

The present directors and executive officers of the Company and a brief description of their business experience for the past five years are discussed below:

Name	Age	Position/Citizenship/Period Served/Term of Office
Gregorio Araneta III	72	Director & Chairman/Filipino/6 years/1 year
Crisanto Roy B. Alcid	50	Director & Vice-Chairman/Filipino/5 years/1 year
Edgar Brian K. Ng	50	Director & President/Filipino/1 month/1year
Edgar N. Ang	68	Director/Filipino/3 years/1 year
Luis M. Araneta	35	Director/Filipino/3 years/1 year
Mario A. Oreta	73	Director/Filipino/3 years/1 year
Rafael B. Ortigas	59	Director/Filipino/18 years/1 year
Philip S. Tuazon	68	Director/Filipino/3 years/1 year
William M. Valtos, Jr.	59	Director/Filipino/3 years/1 year
Ricky E. Rosario	32	CFO & Comptroller/Filipino/4 months/1 year
Alexius D. Coliat	44	CFO & Treasurer/Filipino/4 months/1 year
Mona Liza I. Navarro	40	Vice President/Filipino/3 years/1 year
Raymund S. Aquino	51	Corporate Secretary/Filipino/3 years/1 year

Gregorio Araneta III was elected Chairman of the Company in September 2016. He was elected Director of the Company in May 2014. He is the Chairman and Chief Executive Officer of Araneta Properties, Inc. since 2010. He is the Chairman and

President of Gregorio Araneta, Inc., ARAZA Resources Corporation, H. E. Heacocks Resources Corp., Gregorio Araneta Management Corporation, Gamma Properties Inc. and Carmel Development Inc. He is also the Chairman of Energy and Gas Holdings Inc. Mr. Araneta attended the University of San Francisco and the Ateneo de Manila University, where he received his degree in Bachelor of Arts in Economics.

Crisanto Roy B. Alcid was elected Vice-Chairman of the Company in September 2017. He was elected Director of the Company in April 2015. He is the President and Chief Operating Officer of Araneta Properties, Inc. while concurrently serving as Director and Executive Vice President of Gregorio Araneta, Inc., Carmel Development Corp., Gregorio Araneta Management Corporation, and Araza Resources Corporation. He is also a Director of Philippine Coastal Storage & Pipeline Corp. Before joining the Araneta Group, he was formerly connected with Ayala Land, Inc., Asiatrust Development Bank, and Citibank N.A. Mr. Alcid holds a Bachelor of Science Degree in Management Engineering from the Ateneo de Manila University and has completed the General Management Program at the Harvard Business School.

Edgar Brian K. Ng was elected Director of the Company in February 2020. He is the President of the Company. In the past, he served as Managing Director/Country Manager of Affinity Express Philippines, Inc., Vice President & Country Manager of RR Donnelley Global Outsourcing, Director for Operations of OfficeTiger Philippines Corporation, and Director of Special Projects (Global Operations Support) for SPi. He also spent six years with The Print Town Group starting as a Prepress Manager for FEP Printing Corp and ending as Senior Vice President of LexMedia Digital. Aside from the corporate world, Mr. Ng has been heavily involved in the academe, as an instructor at both the undergraduate and graduate levels of Ateneo Universities. He has a Bachelor of Arts degree from the Ateneo de Manila University and an MBA from the Ateneo Graduate School of Business.

Edgar N. Ang was elected Director of the Company in September 2017. He is the Chairman and President of both The Angcore Group of Companies and AB&T Resources, Inc., which are engaged in Automotive Distribution. He is also the President of Rubiken Trading Corporation, a fertilizer-chemical company. Previously, he was the founder and managing director of Davao Cable World Network and Filipino Cable Corporation prior to its sale. He is also currently serving as Honorary Consul of the Republic of Korea to Davao City. He studied at the Ateneo de Manila University and Sophia University in Tokyo, graduating with Bachelor of Science degrees in Economics & Business Administration.

Luis M. Araneta was elected Director of the Company in September 2017. He is a Director and the Business Development Manager of Araneta Properties, Inc. He is the President of Estancias Holdings, Inc. and Cerros Corp, Vice-President and Treasurer of ARAZA Resources Corporation, Director and Corporate Secretary of Carmel Development, Inc., Director of PAGREL, Inc. He is a Director of Belisama

Hydropower Corporation and Gregorio Araneta Energy Holdings, Inc. and Corporate Secretary of Gamma Properties, Inc. He studied at the Pace University in New York City where he earned his degree in Business Administration in Management.

Mario A. Oreta was elected Director of the Company in May 2016. He is also a former President and Vice-Chairman of Alphaland Development, Inc., Alphaland Balesin Island Resort Corporation, Alphaland Makati Place, Inc., The City Club at Alphaland Makati Place, Inc., Alphaland Balesin Island Club, Inc., and Alphaland Property Management Corporation. He is also a Director of Atok-Big Wedge Co., Inc. Mr. Oreta graduated with honors from the Ateneo De Manila University with a degree of Bachelor of Laws and immediately joined the law firm of Siguion Reyna, Montecillo and Ongsiako. He was also the founder and managing partner of Tanjuatco Oreta and Factoran Law Offices.

Rafael B. Ortigas was elected Director of the Company in April 2002. He is the Chairman and President of Leafar Commercial Corporation, a Director of Sagitro, Inc. and ISM Communications Corporation. He was a director of Itogon-Suyoc Resources, Inc., and OCLP Holdings, Inc. and former General Partner of Ortigas and Company Ltd. Partnership. He is also a Trustee and President of Leafar Foundation, Inc. and a Trustee of the Ortigas Foundation, Inc. He has a Bachelor of Science degree in Computer Science from De La Salle University and an MBA from Ateneo de Manila Graduate School of Business.

Philip S. Tuazon was elected Director of the Company in September 2017. He is currently a Director of the Philippine Ports Authority as Private Sector Representative, which position he also held in 1993 to 1999. Concurrently he is also a Director of JYT Investment and Vice President/Director of Fairwind Harbor Services, Incorporated. He was formerly connected with New Filipino Maritime Agencies, Incorporated as Executive Vice President/Director and Director/President of Dolomite Mining Corporation. He was appointed as Administrator of Maritime Industry Authority (MARINA) where he served for almost seven years. He attended his collegiate years in Ateneo De Manila University, where he received his degree in Bachelor of Arts in Economics.

William M. Valtos, Jr. was elected Director of the Company in September 2017. He is a Director of ICCP SBI Venture Partners and Fiducia Asset Management Pte. Ltd. and serves as Chairman of DirectWithHotels Ltd. Prior to joining the ICCP Group, Mr. Valtos was Managing Director of Strategic Asset Management, Inc., a Chicago-based private direct investment firm managing over US\$600 million in assets. Mr. Valtos holds an MBA from the Kellogg School of Management at Northwestern University. He earned a BA in Economics and Political Science from the University of Illinois, where he was a Rhodes Scholar Candidate. Mr. Valtos is an active member of the Philippines-Singapore Business Council.

Ricky E. Rosario was elected as the CFO and Comptroller of the Company in August 2019. Mr. Rosario is a certified public accountant. His previous work experience includes being senior auditor of SGV & Co. He is an accredited tax practitioner and accredited CPA in public practice, commerce and industry. He is a member of the Philippine Institute of Certified Public Accountants and registered as an ASEAN Chartered Professional Accountant.

Alexius D. Coliat was elected as the CFO and Treasurer of the Company in August 2019. Mr. Coliat is a certified public accountant. His previous work experience includes being the Global Internal Audit Manager of Tyche Consulting Limited Phils. and a senior risk consultant of Hill & Associates Risk Consulting Philippines, Inc. He is a member of the Philippine Institute of Certified Public Accountants.

Mona Liza I. Navarro is currently a Vice President of the Company. She has been an IT practitioner for over 17 years with experience in Software Development, Project Management and IT Operations. She has a degree of Bachelor of Science in Computer Science from the University of the Philippines. She is an ITIL certified professional and a Certified IT Manager.

Raymund Nonato S. Aquino was elected Corporate Secretary of the Company in September 2017. He was a director of SGV & Co. He has a Juris Doctor Degree from the Ateneo de Manila University College of Law and a Bachelor of Arts degree major in Legal Management from the Ateneo de Manila University. He is a member of the Integrated Bar of the Philippines.

As of the date of this information statement, the foregoing will be nominated for re-election to the Board of Directors at the meeting. None of the above mentioned directors have declined to stand for re-election to the Board of Directors since the date of the last annual stockholders' meeting because of a disagreement with the Company on any matter relating to the Company's operations, policies, or practices.

Independent Directors / Nomination Committee

Under its Manual on Corporate Governance submitted with the Securities and Exchange Commission (SEC), the Board of Directors created a Corporate Governance Committee, which may have at least three voting members. It shall pre-screen and shortlist all candidates nominated to become a member of the Board of Directors including the Independent Directors in accordance with the guidelines provided in the Manual on Corporate Governance and conformably with SRC Rule 38.

The following are the Company's incumbent Independent Directors:

1. Mario A. Oreta
2. Rafael B. Ortigas

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3. Philip S. Tuazon
4. William M. Valtos, Jr.

In compliance with SRC Rule 38 and the Company's Manual on Corporate Governance, the following are the incumbent members of the Corporate Governance Committee:

1. Rafael B. Ortigas (Chairman/Independent Director)
2. Philip S. Tuazon (Member/Independent Director)
3. William M. Valtos, Jr. (Member/Independent Director)

Procedures for the Nomination of the Independent Directors

The Corporate Governance Committee prior to a stockholders' meeting shall conduct the nomination of independent directors. The nominating stockholders together with the acceptance and conformity by the would-be nominees shall sign all the recommendations. The Corporate Governance Committee shall pre-screen the qualification and prepare a final list of all candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent directors. After the nomination, the Corporate Governance Committee shall prepare a Final List of Candidates which shall contain all the information about all the nominees for independent directors, as required under Part IV (A) and (C) of Annex "C" of SRC Rule 12, which list, shall be made available to the SEC and to all stockholders through the filing and distribution of the Information Statement, in accordance with SRC Rule 20, or in such other reports the Company is required to submit to the SEC. The name of the independent director shall be identified in such report including any relationship with the nominee.

Only nominees whose names appear on the Final List of Candidates shall be eligible for election as Independent Directors. No further nominations shall be entertained or allowed on the floor during the actual annual stockholders' meeting.

The SEC approved the amendment of the Company's By-Laws, which include among others, the procedure for the nomination and election of independent directors on November 10, 2005.

As of the date of this Information Statement, the Corporate Governance Committee has received and approved the following nominations for independent director:

Nominee for Independent Director (a)	Person/Group recommending nomination (b)	Relation of (a) and (b)
Mario A. Oreta	Edgar Brian K. Ng	None
Rafael B. Ortigas	Edgar Brian K. Ng	None
Philip S. Tuazon	Edgar Brian K. Ng	None
William M. Valtos, Jr.	Edgar Brian K. Ng	None

Family Relationship of Directors and Officers

Mr. Luis M. Araneta is the son of Mr. Gregorio Araneta III.

The Company does not know any other family relationship of directors and officers other than the ones provided.

Certain Relationships and Related Transactions

Please refer to Note Number 12 and Schedule C of SEC Supplementary Schedule as Required by Part II of SRC Rule 68 as Amended, on Related Party Transactions of the enclosed Consolidated Financial Statements for the year 2019.

Other than the foregoing, there has been no transaction outside of the ordinary course of business during the last two years, nor is any transaction presently proposed, to which the Company was or is to be a party in which any Director or Executive Officer of the Company, or owner of more than 10% of the Company's voting securities or any member of the immediate family of any of the foregoing persons had or is to have a direct or indirect material interest. In the ordinary and regular course of business, the Company had or may have had transactions with other companies in which some of the foregoing persons may have an interest.

Mr. Gregorio Araneta III directly and indirectly owns at least 54.65% of the Company's voting securities. No person, natural or juridical, owns more than 50% of the Company's voting securities.

Significant Employees

There are no persons other than the executive officers that are expected by the Company to make a significant contribution to the business.

Involvement of Directors and Officers in Certain Legal Proceedings

The Company is not aware that any of its directors and officers is involved during the past five years and up to the date of the filing of this report in any bankruptcy proceedings. Neither have they been convicted by final judgment in any criminal proceeding or been subject to any order, judgment or decree by a court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting their involvement in any type of business, securities, commodities or banking activities, nor found in action by any court or administrative body to have violated a securities or commodities law.

Legal Proceedings

1. Rodrigo R. Gadionco, Jr. vs. PhilWeb (CA G.R. CV-No. 01519) – Rescission of Lease Purchase Agreement.

The parties entered into a Lease Agreement with Option to Purchase on 22 November 2000. For alleged non-fulfillment of its obligation, Gandionco filed a case in the RTC to rescind the contract. PhilWeb stated that it never entered into such agreement for it was not signed by any of PhilWeb's authorized representatives. The Court Ruled in favor of Gandionco and declared the agreement between the parties as rescinded and ordered PhilWeb to pay Gadionco P 20,533.00 in litigation expenses, P20,000 in moral damages, P20,000 in exemplary damages and P50,000 in attorney's fees, in the total amount of P110,533.00. Gadionco was likewise ordered by the court to return to PhilWeb 10 IBM Computers, amounting to approximately P200,000.00 and 5000 pieces of ZOOM cards. PhilWeb appealed the case to the Court of Appeals. The appeal is submitted for decision by the Court of Appeals.

2. PhilWeb vs Sonia K. Pamatmat
I.S. No. 07-J-8470
Qualified Theft

The respondent is a former employee of PhilWeb. During her tenure as a former employee of PhilWeb, she took a company vehicle and did not return the same upon termination of her employment. PhilWeb demanded the return of its vehicle. Despite said demand, she failed to return the said property. PhilWeb then filed a complaint charging the respondent of Qualified Theft.

PhilWeb filed a Petition for Certiorari to annul the Resolution of the Department of Justice dismissing the criminal case against Sonia K. Pamatmat. The case is pending resolution by the Court of Appeals.

3. PhilWeb Corporation vs. BOS (Antigua) Ltd.
Civil Case No. 06 - 712
For Damages with Attachment
Makati RTC Branch 139

The parties entered into a Memorandum of Agreement on November 20, 2005 for the operation of sports betting facility. BOS (Antigua) Ltd. (BOS) allegedly violated provisions in the MOA prompting PhilWeb to file a complaint for damages in the amount of P24,000,000.00 against BOS. The case will be litigated upon service of summons to BOS. BOS did not file a counterclaim or a separate complaint.

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4. PhilWeb Corporation vs. Commission on Audit
Decision No. 2015-097 (CGS-C Decision No. 2012-009) (ND No. 2011-001-(06/07))

On 18 July 2011, the Commission on Audit (“COA”), through its resident auditor, Atty. Resurreccion C. Quieta, (“Atty. Quieta”) issued a Notice of Disallowance (“ND”) against PhilWeb regarding the payment of PAGCOR of 10% Software License Fee (“SLF”) to PhilWeb effective on 6 July 2006. According to Atty. Quieta, there was an excess in the remittance of the SLF during the period 6 July 2006 to 31 August 2007 in the total amount of Php57,926,133.63 since the amended Intellectual Property License and Management Agreement which was entered into by PhilWeb and PAGCOR, and which specified the payment of the 10% SLF, took effect only on 13 September 2007. This Php57,926,133.63 amount has been paid by PAGCOR and COA is claiming its return.

PhilWeb challenged this ND and filed its Appeal Memorandum on 12 December 2011 maintaining that the increase and the payment of the 10% SLF was agreed upon by PAGCOR and PhilWeb to take effect on 6 July 2006. On 6 December 2012, PhilWeb, received a copy of the Decision of the COA through Honorable Rufina S. Laquindanum dated 16 November 2012 denying its appeal and affirming the Notice of Disallowance. Thereafter, PhilWeb filed its Petition for Review with the COA on 8 January 2013. On 8 May 2015, PhilWeb received a copy of the Decision of the COA dated 1 April 2015 dismissing its Petition for Review. On 19 May 2015, PhilWeb seasonably filed its Motion for Reconsideration. This Motion for Reconsideration is now pending resolution by the COA.

Compensation of Directors and Executive Officers

The aggregate amount of compensation paid by the Company to all of its directors and management as a group for fiscal years 2018 and 2019 were P34,068,000.00 and P34,068,000.00, respectively. The estimated aggregate compensation for 2020 is P24,684,000.00.

Annual Compensation of Five Most Highly-Paid Executives including the CEO

(a) Name and Principal Position	(b) Year	(c) Salary	(d) Bonus	(e) Other Annual Comp.
1. Dennis O. Valdes President (elected in July 2006 and resigned in January 31, 2020)				
2. Brian K Ng President (elected in February 1, 2020) Vice President				

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(effective January 2011 until January 31, 2020)

3. Mona Liza I. Navarro
Vice President
(effective March 2017)
4. Raymund S. Aquino
Corporate Secretary & Vice President
(elected September 2017)
5. Alexander C. Manabal
Assistant Vice President
(effective August 2009)

Aggregate Compensation of the CEO
& Five Most Highly-Paid Executives

2018	20,388,000	-	1,699,000
2019	17,688,000	-	1,474,000
2020 ¹	13,248,000	-	1,104,000

All Officers and Directors as a Group
Unnamed

2018	34,068,000	-	2,839,000
2019	34,068,000	-	2,683,125
2020 ²	24,684,000	-	2,057,000

There are no standard arrangements with regard to election, bonus, profit sharing, pension/retirement plan granting or extension of any option, warrant or right to purchase any securities. The Company has a stock option plan, which is administered by a stock options committee.

Employment Contracts and Termination of Employment and Change-in-Control Arrangements.

The abovementioned executive officers have employment contracts with the Company.

There has been no change in control arrangements with the present management.

¹ Estimate figures

² Estimate figures

Warrants and Options Outstanding

On February 16, 2001, the SEC approved the exemption of 4,447,134,695 common shares (equivalent to 44,471,347 shares based on the new par value, effective September 14, 2009) under the Company's Stock Option Plan from the registration requirements under the Securities Regulation Code (SEC Resolution No. 005, Series of 2001).

On November 18, 2003, the Stock Option Committee approved the awarding to selected individuals who have helped develop the business of the Company over the past two years options to subscribe to a total of One Billion Three Hundred Million (1,300,000,000) common shares at a price of P0.01 per share (the then prevailing market price was P0.012 per share).

On October 14, 2004, the Stock Option Committee of the Company approved the awarding to selected individuals who have helped develop the business of the Company over the past two years options to subscribe to 500,000,000 common share, at a price of P0.01 per share (the then prevailing market price was P0.012 per share).

On March 2, 2005 the Board of Directors of PhilWeb Corporation approved the recommendation of the Stock Option Committee for additional option grants totaling 1,391,000,000 shares to its officers and employees at a price equivalent to a twenty percent (20%) discount over the average closing price of the Company during the past 30 trading days.

On January 20, 2006, the Stock Option Committee of the Company approved the award to selected officers and employees options to subscribe to total of 1,786,500,000 common shares, at a price of P0.013 per share (the then prevailing market price was P0.016 per share).

On November 29, 2006, the Stock Option Committee of the Company approved the award to selected officers options to subscribe to total of 1,156,000,000 common shares, at a price of P0.0248 (the then prevailing market price was P0.031 per share).

On April 9, 2008, the PSE approved the Company's application for the listing of additional 1,982,399,858 common shares with a par value of P0.01 per share, to cover the Stock Option Plan of PhilWeb Corporation.

On April 19, 2012, the Stock Option Committee of the Company approved the award to selected officers and employees of options to subscribe to a total of 8,900,000 common shares, at a price of P14.00 per share.

On 29 May 2014, the Stock Option Committee of the Company approved the award to selected officers and employees of options to subscribe to a total of 1,500,000 common shares, at a price of P4.15 per share.

Independent Public Accountants

The independent public accountant recommended for election for the current year is Reyes Tacandong & Co.

The Company has not had any disagreements on accounting and financial disclosures with its current external auditors for the same period or any subsequent interim period.

Representatives of Reyes Tacandong & Co. shall be present at the meeting. They will have the opportunity to make a statement if they choose to do so and will be available to respond to appropriate questions.

The 2019 audit of the Company by Reyes Tacandong & Co. is in compliance with Securities Regulation Code Rule 68, paragraph 3(b)(iv) and SEC Memorandum Circular No. 8, Series of 2003 that provides that the external auditor should be rotated every five (5) years or earlier or the handling partner shall be changed.

The following are the members of the Audit Committee of the Company:

Mario A. Oreta	-	Independent Director/Chairman
Rafael B. Ortigas	-	Independent Director/Member
William M. Valtos, Jr.	-	Independent Director/Member

OTHER MATTERS

Action with Respect to Reports

The Management Report and 2019 Audited Financial Statements, as set forth in the accompanying Annual Report, will be submitted for stockholders' ratification.

Approval of the Annual Report constitutes a ratification of the Company's performance during the previous fiscal year.

Approval of the Minutes of the Stockholders' Meeting held on May 21, 2019 constitutes a ratification of the accuracy and faithfulness of the Minutes to the events, which transpired during the meeting.

During the said meeting, the following significant matters were approved: (i) minutes of the annual stockholder's meeting held on July 30, 2018; (ii) Management Report and Audited Financial Statements for the Year Ended December 31, 2018; (iii) ratification and approval of corporate acts; (iv) election of directors; and (v) appointment of external auditor."

PhilWeb Corporation SEC Form 20-IS
Definitive Information Statement

During the Regular Meeting of the Board of Directors held on April 1, 2019, the following matters were discussed/approved: (i) minutes of the board meetings held on November 8, 2018 and December 10, 2018; (ii) minutes of the executive committee meeting held on January 7, 2019, February 18, 2019 and March 14, 2019; (iii) Management Report for 2018; (iv) strategic plans for 2019 and (v) Audited Financial Statements as at and for the year ended December 31, 2018 of the Company.

During the Organizational Meeting of the Board of Directors held on May 21, 2019, the following matters were discussed/approved: (i) minutes of the board meeting held on April 1, 2019; (ii) election of officers; (iii) election of members of the Executive Committee; and (iv) election of members to the Corporate Governance, Audit and Stock Option committees.

During the Regular Meeting of the Board of Directors held on October 14, 2019, the following matters were discussed/approved: (i) minutes of the Organizational Meeting of the Board of Directors held on May 21, 2019; (ii) minutes of the executive committee meeting held on April 1, 2019, April 3, 2019, May 6, 2019, May 8, 2019, August 15, 2019 and September 3, 2019; and (iii) Quarterly Report for the Quarterly Period ended September 30, 2019 of the Company.

During the Regular Meeting of the Board of Directors held on December 31, 2019, the following matters were discussed/approved: (i) accepted the resignation of Mr. Dennis O. Valdes as president and director of the Company to be effective on January 31, 2020; and (ii) election of Mr. Edgar Brian K. Ng as president and director of the Company to be effective February 1, 2020.

Copies of the minutes will be made available for review by the stockholders present in the annual meeting.

The affirmative vote of a majority of the votes cast on this matter is necessary for approval of the minutes.

Other Proposed Actions

The acts of Management from the last annual stockholders' meeting to the present will be presented for stockholders' ratification at the meeting.

During the meeting of the Executive Committee of the Board of Directors held on May 28, 2020, the following matters were approved: (i) approved the amendment of the Seventh Article of the Articles of Incorporation 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) **Divided 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"**

(ii) approved the amendment of Section Four, Article II of the By-laws of the Corporation by allowing distribution of notice of meeting by electronic mail, thus: "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. x x x 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."; (iii) approved the amendment of Section Five, Article II of the By-laws of the Corporation by allowing participation in meeting through remote communication, thus: "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."; (iv) approved the amendment of Section Seven, Article II of the By-laws of the Corporation by allowing voting in meeting through remote communication, thus: "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."; (v) approved the amendment of Section Eight, Article III of the By-laws of the Corporation by

replacing “conference call” with “remote communication” 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.**”; (vi) delegating the power to amend, modify, repeal or adopt new by-laws to the Board of Directors.

Item 17. Amendments to Articles of Incorporation

The amendment to the Articles of Incorporation was approved in order for the Company to have flexibility in raising capital. The Amendment to the By-laws was approved to allow sending of notice of meeting to stockholders by electronic mail, allow participation of stockholders and vote in meetings in absentia through remote modes of communication and allow participation of directors in board meeting by remote communication. The amendments do not affect the business, operations and capital structure of the Corporation. The amendments will be presented for stockholders’ approval at the meeting.

Voting Procedures

For the election of directors, the eleven (11) nominees receiving the most number of votes will be elected to the Board of Directors. Cumulative voting will apply.

For the approval of the amendment to the Articles of Incorporation and By-laws and the delegation of the power to amend, modify, repeal or adopt new by-laws to the Board of Directors, the favorable vote by stockholders owning or representing at least two-thirds (2/3) of the outstanding capital stock is necessary. For all other matters to be taken up, majority vote of the outstanding capital stock present and represented at the meeting where a quorum exists shall be sufficient.

Voting shall be done *viva voce* or by raising of hands and the votes for or against the matter submitted shall be tallied by the Corporate Secretary in case of a division of the house.

UPON THE WRITTEN REQUEST OF A STOCKHOLDER, THE COMPANY WILL PROVIDE, WITHOUT CHARGE, A COPY OF THE COMPANY’S SEC FORM 17-A (ANNUAL REPORT) DULY FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. THE STOCKHOLDER MAY BE CHARGED A REASONABLE COST FOR PHOTOCOPYING THE EXHIBITS.

ALL REQUESTS MAY BE SENT TO THE FOLLOWING ADDRESS:

PhilWeb Corporation SEC Form 20-IS
Definitive Information Statement

PhilWeb Corporation

41st Floor, One San Miguel Avenue Condominium
San Miguel Avenue corner Shaw Boulevard
Ortigas Center, Pasig City, Philippines
Attention: Mr. Alexius D. Coliat
Treasurer/Chief Finance Officer

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Makati on July 6, 2020.

Issuer: **PHILWEB CORPORATION**

Date: July 6, 2020



Signature and Title:

Edgar Brian K. Ng
President

PHILWEB CORPORATION

MANAGEMENT REPORT

for the
2020 Annual Meeting of Stockholders
Pursuant to SRC Rule 20 (4) (A)

A. *Audited Financial Statements for Fiscal Year Ended December 31, 2019*

Please see attached audited consolidated financial statements as of December 31, 2019.

B. *There were no disagreements with the accountants*

C. *Management's Discussion and Analysis or Plan of Operations*

Plan of Operations

The current capitalization of the Company, and expected future revenues from its various Internet gaming activities are projected to sufficiently meet the Company's operating cash requirements. Acquisition of computers and other equipment, which are not expected to be of material amount, shall be funded from internally generated funds.

No extraordinary purchase or sale of plant and equipment are expected beyond those in the regular course of the Company's operations. All purchases will be financed through internally generated funds and existing capitalization.

Hiring of employees will continue in the regular course of business.

Results of Operation

	For the Period Ended December 31 2019	For the Year Ended December 31 2018	For the Year Ended December 31 2017	For the Year Ended December 31 2016
Income Statement				
Revenues	539,862,792	424,566,647	160,750,753	1,019,726,562
Costs and Expenses	544,176,264	506,202,842	498,698,748	676,313,684
Other Income (Loss) - Net	(29,687,837)	(11,033,255)	3,059,204	(635,154,886)
Net Loss	(85,522,377)	(78,066,237)	(294,425,152)	(297,691,858)
Retained Earnings at Beginning of Period	1,485,794,383	1,563,374,351	1,856,644,010	2,617,356,756
Retained Earnings at End of Period	915,975,595	1,485,794,383	1,563,374,351	1,856,644,010

Balance Sheet				
Current Assets	412,575,368	129,947,380	161,202,593	317,921,025
Total Assets	793,771,386	386,045,369	438,257,162	648,366,801
Total Liabilities	533,887,650	379,886,037	364,034,542	402,467,732
Total Equity	259,883,736	6,159,332	74,222,620	245,899,069

Performance for the Period Ended December 31, 2019

Cash and Cash Equivalents

The cash and cash equivalents decreased by P16.7 million or 30.7% versus last year. The Company generated cash from operation of P58.4 million and borrowed additional loan and collected subscription receivables of P100.3 million, and used P44.4 million to pay off aging payables and P114.3 million to acquire fixed assets and pay performance cash deposit to PAGCOR.

Receivables (net)

The receivables increased by P295.8 million or 770.8% versus last year, mainly due to receivable from sale of treasury share.

Prepayments and Other Current Assets

Prepayments and other current assets increased by P3.6 million or 9.5% versus last year mainly due to increase in input VAT.

Property and Equipment

The increased in property and equipment of P14.7 million or 14.8% represents the total acquisitions of P79.3 million less depreciation and amortization amounting to P64.6 million.

The acquisitions mainly pertain to the fair value of property and equipment acquired from existing operators.

Right-of-use (ROU) Assets

ROU assets amounting to P111.0 million are recognized as a result of the adoption of new accounting standard, PFRS 16. These represent the right to use the underlying assets during the lease term.

Net Deferred Tax Assets

Net Deferred tax assets decreased by P48.3 million or 60.2% mainly due to expiration of temporary difference arising from Net Operating Losses.

Other Noncurrent Assets

Other noncurrent assets increased by P47.8 million or 62.4% mainly due to increase in performance cash deposit paid to PACGOR.

Accounts Payable and other current liabilities

The decreased in accounts payable and other current liabilities by P32.2 million or 15.9% was mainly due to payment of aging payables.

Notes Payable

Notes payable increased by P57.4 million or 39.3% due to availment of loans.

Lease Liabilities

Lease liabilities are recognized as a result of the adoption of new accounting standard, PFRS 16. These pertain to the current and noncurrent portion of lease payment amounting to P35.8 million and P78.5 million, respectively.

Retirement Benefits Liability

The increased in retirement benefits liability of P15.4 million or 102.1% represents additional provision for employees' retirement benefits, net of actuarial gain.

Other Noncurrent Liability

Other noncurrent liability decreased by P1.0 million or 6.4% due to refund of operators' deposit.

Capital stock

The increased in capital stock of P11.2 million or 0.7% was due to issuance of shares and collection of unpaid subscribed capital.

Additional paid in capital

The decreased in additional paid in capital of P353.6 million or 35.0% was due to issuance of treasury shares at a price lower than cost.

Retained earnings

The decreased in retained earnings of P569.8 million, or 38.4% was attributable to issuance of treasury shares at a price lower than cost and net loss during the period.

Treasury stock

The decreased in treasury stock of P1,171.0 million or 29.3% was due to reissuance of shares.

Income and Expenses

For the year ended December 31, 2019, the Company's EBITDA increased by 529.4% or P49.1 million, from P9.3 million last year to P58.4 million this year. Loss before income tax decreased by 63.3% or P58.7 million, from P92.7 million last year to P34.0 million this year mainly due to expansion of company's operation at the same time maintaining the level of costs and expenses. However, due to increase in provision for income tax deferred arising from reversal of deferred tax assets on net operating loss carryover, Net loss increased by P7.6 million or 9.6%, from P78.1 million last year to P85.5 million this year.

Revenues

Total revenues increased by P115.3 million or 27.2%, to P539.9 million for the year ended December 31, 2019 from P424.6 million registered last year. The increase was mainly due to the increase in number of operating sites.

Costs and Expenses

Cost and expenses in 2019 increased by P38.0 million or 7.5% as compared last year mainly due to expansion and increase in number of operating locations.

Other Income (Charges)

Other charges increased by P18.7 million or 169.1% mainly due to increase in interest expense.

Performance for the Period Ended December 31, 2018

Cash and Cash Equivalents

The cash and cash equivalents decreased by P57.7 million or 51.5% versus last year. The Company generated cash from operation of P12.7 million and borrowed additional loan and collected subscription receivables of P17.3 million, and used P47.7 million to pay off aging payables and P40.0 million to acquire fixed assets and pay performance cash deposit to PAGCOR.

Receivables (net)

The receivables increased by P15.7 million or 69.2% versus last year, mainly due to increase in trade receivables.

Prepayments and Other Current Assets

Prepayments and other current assets increased by P10.8 million or 40.6% versus last year mainly due to increase in input VAT and prepaid taxes.

Property and Equipment

The decreased in property and equipment of P44.7 million or 31.1% represents the total acquisitions of P19.6 million less depreciation and amortization amounting to P64.3 million.

The acquisitions mainly pertain to the fair value of property and equipment acquired from existing operators.

Net Deferred Tax Assets

Net Deferred tax assets increased by P15.9 million or 24.7% mainly due to recognition of income taxes recoverable in future periods arising from Net Operating Losses.

Other Noncurrent Assets

Other noncurrent assets increased by P7.8 million or 11.3% mainly due to increase in performance cash deposit paid to PACGOR.

Accounts Payable and other current liabilities

The decreased in accounts payable and other current liabilities by P1.3 million or 0.6% was mainly due to payment of aging payables.

Notes Payable

Notes payable increased by P6.2 million or 4.4% due to availment of loans.

Retirement Benefits Liability

The increased in retirement benefits liability of P7.9 million or 111.1% represents additional provision for employees' retirement benefits, net of actuarial gain.

Other Noncurrent Liability

Other noncurrent liability increased by P3.1 million or 23.9% due to increase in cash deposits as a result of the increase in the number of sites serviced by PhilWeb EGS.

Capital stock

The increased in capital stock of P7.6 million or 0.5% was due to issuance of shares and collection of unpaid subscribed capital.

Additional paid in capital

The decreased in additional paid in capital of P3.4 million or 0.3% was due to issuance of treasury shares at a price lower than cost.

Retained earnings

The decreased in retained earnings of P77.6 million, or 5.0% was attributable to the net loss during the period.

Treasury stock

The decreased in treasury stock of P10.1 million or 0.3% was due to reissuance of shares.

Income and Expenses

For the year ended December 31, 2018, the Company's EBITDA increased by 106.1% or P161.8 million, from (P152.5 million) last year to P9.3 million this year. Net loss decreased by 73.5% or P216.4 million, from P294.4 million last year to P78.1 million this year mainly due to expansion of company's operation at the same time maintaining the level of costs and expenses.

Revenues

Total revenues increased by P263.8 million or 164.1%, to P424.6 million for the year ended December 31, 2018 from P160.8 million registered last year. The increase was mainly due to the increase of operating sites from 16 to 60 locations at the end of the year.

Costs and Expenses

Cost and expenses in 2018 slightly increased by P7.5 million or 1.5% compared last year as a result of the increase in number of operating sites. The increased is mitigated by the decreased in noncash expenses and the impact of the implementation of several cost reduction measures despite expansion of operations.

Other Income (Charges)

Other charges increased by P14.1 million or 460.7% mainly due to increase in interest expense.

Performance for the Period Ended December 31, 2017

Cash and Cash Equivalents

The cash and cash equivalents increased by P13.9 million or 14.2% versus last year. The Company collected P139.7 million from sale of investment and receivables and borrowed additional P90.0 million from a bank, and used P220.4 million cash to maintain operations and pay off aging liabilities.

Receivables (net)

The receivables decreased by P169.6 million or 88.2% versus last year, mainly due to collection of receivables.

Prepayments and Other Current Assets

Prepayments and other current assets slightly decreased by P1.1 million or 3.9% versus last year mainly due to decrease in input VAT, net of allowance for impairment.

Property and Equipment

The decreased in property and equipment of P53.1 million or 26.9% represents the total acquisitions of P55.6 million less depreciation and amortization amounting to P108.6 million and disposal of P0.1 million.

The acquisitions mainly pertain to the fair value of property and equipment acquired from existing operators.

Net Deferred Tax Assets

Net Deferred tax assets increased by P37.9 million or 143.3% mainly due to recognition of income taxes recoverable in future periods arising from Net Operating Losses.

Other Noncurrent Assets

Other noncurrent assets decreased by P38.3 million or 35.7% mainly due to disposal of investments in associates and decrease in noncurrent input VAT, net of allowance for impairment.

Accounts Payable and other current liabilities

The decreased in accounts payable and other current liabilities by P105.5 million or 34.1% was mainly due to payment of aging payables.

Notes Payable

Notes payable increased by P90 million or 180.0% due to availment of loans.

Retirement Benefits Liability

The decreased in retirement benefits liability of P6.3 million or 47.0% represents additional provision for employees' retirement benefits, net of actuarial gain.

Operators' deposit

Operator's deposit decreased by P16.6 million or 56.5% due to refund of operators' deposit.

Capital stock

The increased in capital stock of P15.2 million or 1.0% was due to issuance of shares and collection of unpaid subscribed capital.

Additional paid in capital

The decreased in additional paid in capital of P99.1 million or 8.9% was due to issuance of treasury shares at a price lower than cost.

Retained earnings

The decreased in retained earnings of 293.3 million, or 15.8% was attributable to the net loss during the period.

Treasury stock

The decreased in treasury stock of P203.8 million or 4.8% was due to reissuance of shares.

Income and Expenses

For the year ended December 31, 2017, the Company's EBITDA decreased by 126.3% or P732.9 million, from P580.4 million last year to (P152.5) million this year. Net loss decreased by 1.1% or P3.3 million, from P297.7 million last year to P294.4 million this year mainly due to expiration of IPLMA contract and loss on sale of assets in 2016 and PhilWeb was allowed to offer its Electronic Gaming System (EGS) in December 2017.

Revenues

Total revenues decreased by P859.0 million or 84.2%, to P160.8 million for the year ended December 31, 2017 from P1,019.7 million registered last year. The decreased was due to expiration of IPLMA in Aug 2016 and PhilWeb was allowed to offer its EGS in December 2017.

Costs and Expenses

Cost and expenses in 2017 decreased by P177.6 million or 26.3% compared last year mainly due to winding down of eGames operation.

Other Income (Charges)

Other income (charges) increased by P638.2 million or 100.5% mainly due to loss on disposal of assets in 2016.

The Company's Key Performance Indicators

For the year 2019, the Company's key performance indicators are the following:

- 1.) The Company's Earnings Before Interest, Taxes, and Depreciation and Amortization (EBITDA) was P58,400,676 or 529.4% higher compared last year.
- 2.) Revenues increased in 2019 by 27.2% from P424,566,647 to P539,862,792.
- 3.) Operating loss margin was 0.8%. Operating loss of (P4,313,472) divided by Net Revenues of P539,862,792.
- 4.) Current ratio was at 1.01:1.00. Current Assets of P412,642,890 divided by Current Liabilities of P410,078,388.
- 5.) Asset to equity ratio was at 3.05:1.00. Total Assets of P793,771,386 divided by Total Equity of P259,883,736.
- 6.) Debt to equity ratio was at 2.05:1.00. Total Liabilities of P533,887,650 divided by Total Equity of P259,883,736.

For the year 2018, the Company's key performance indicators are the following:

- 1.) The Company's Earnings Before Interest, Taxes, and Depreciation and Amortization (EBITDA) was P9,278,305 or 106.1% higher compared last year.
- 2.) Revenues increased in 2018 by 164.1% from P160,750,753 to P424,566,647.
- 3.) Operating loss margin was 19.2%. Operating loss of (P81,636,195) divided by Net Revenues of P424,566,647.
- 4.) Current ratio was at 0.37:1.00. Current Assets of P129,947,381 divided by Current Liabilities of P349,006,437.
- 5.) Asset to equity ratio was at 62.68:1.00. Total Assets of P386,045,369 divided by Total Equity of P6,159,332.

- 6.) Debt to equity ratio was at 61.68:1.00. Total Liabilities of P379,886,037 divided by Total Equity of P6,159,332.

For the year 2017, the Company's key performance indicators are the following:

- 1.) The Company's Earnings Before Interest, Taxes, and Depreciation and Amortization (EBITDA) was (P152,478,187) or 126.3% lower compared last year.
- 2.) Revenues decreased in 2017 by 84.2% from P1,019,726,562 to P160,750,753.
- 3.) Operating loss margin was 210.2%. Operating loss of (P337,947,995) divided by Net Revenues of P160,750,753.
- 4.) Current ratio was at 0.47:1.00. Current Assets of P161,202,593 divided by Current Liabilities of P344,137,096.
- 5.) Asset to equity ratio was at 5.90:1.00. Total Assets of P438,257,162 divided by Total Equity of P74,222,620.
- 6.) Debt to equity ratio was at 490:1.00. Total Liabilities of P364,034,542 divided by Total Equity of P74,222,620.

Key Variable and Other Qualitative and Quantitative Factors

There were no known trends, events or uncertainties that will have material impact on the Company's liquidity.

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

There were no 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.

The current capitalization of the Company and expected future revenues from its various activities are projected to sufficiently meet the Company's operating cash requirements.

No extraordinary purchase of plant and equipment are expected beyond those in the regular course of the Company's operations.

There were no known trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the Company's revenues or continuing operations.

There are no significant elements of income that did not arise from the Company's continuing operations.

There were no known causes for any material changes from period to period of financial statements, which shall include vertical and horizontal analyses of any material item.

There are no seasonal aspects that have material effect on the Company's financial condition or results of operation.

Audit and Audit Related Fees

Audit fees in relation with the services rendered for the examination and preparation of the Company's financial statements. The following table sets out the aggregate fees billed for each of the last three years for professional services rendered by the independent public accountant.

	2019	2018	2017
Audit and Audit-Related Fees	P600,000	P570,000	P570,000
Tax Fees	None	None	None
Other Fees	none	none	none
Total	P600,000	P570,000	P570,000

The auditor of the Company conducted its audit in accordance with the auditing standards generally accepted in the Philippines with the objective of expressing an opinion as to whether the presentation of the financial statements, taken as a whole conforms with the accounting principles generally accepted in the Philippines. They performed tests of the accounting records and such other procedures, as they considered necessary in the circumstances to provide a reasonable basis for an opinion on the financial statements. They also assessed the accounting principles used and significant estimates made by the management and evaluated overall financial statements presentation.

The auditor also considered the Company's internal control in order to determine the nature, timing and extent of the audit procedures for the purpose of expressing an opinion on the financial statements. There were no additional fees related to this.

There were no products and services provided by the external auditor other than the services reported under the above items.

The Audit Committee approved the policies and procedures in relation to the services of the external auditor.

D. General Nature and Scope of Business

PhilWeb Corporation, the Company, was originally a mining and exploration company incorporated in August 20, 1969 under the name "South Seas Oil and Mineral Exploration Co. Inc." with an authorized capital stock of P50 million divided into five billion shares with a par value of P0.01 per share. On March 29, 1984, the stockholders authorized the change in the

Company's name to "South Seas Natural Resources, Inc." which was approved by the SEC. The stockholders subsequently authorized on September 22, 1987 an increase in the Company's authorized capital stock to P200 million divided into 20 billion shares with a par value of P0.01 each share, 60% of which were classified as Class "A" shares which may be held only by Filipino citizens, and 40% of which were classified as Class "B" shares which may be held by non-Filipinos. The SEC approved the increase in capital and classification of shares of stock.

The Company became an Internet company in January 18, 2000 upon the stockholders' approval of a restructuring plan which involved changes in the Company's name, primary purpose, increase in capital stock, declassification of shares, increase in the number of directors, and adoption of new by-laws, among other matters. At the same meeting, the stockholders likewise authorized the Board of Directors to sell all or substantially all of the assets of the Company and approved the sale of the mining properties and tangible mining assets.

On January 18, 2000, the Parent Company entered into a Deed of Assignment with All-Acacia Resources, Inc. whereby the Parent Company transferred all its rights over its mining claims located in the Provinces of Samar and Surigao and all of its mining assets, both tangible and intangible, used in the Parent Company's mining operations. In consideration therefore, All-Acacia agreed to assume all liabilities and obligations of the Parent Company, including those relating to the assignment of advances from stockholders and/or deposits on subscriptions in excess of P18 million which had been agreed to be converted to equity of the Parent Company, and arrange for the resignation, retirement or termination of all the Parent Company's personnel relating to the mining business and pay their corresponding separation or retirement pay, as well as hold the Parent Company free and harmless from any expense, liability or obligation arising from the operation of the Parent Company as of the date of the Agreement.

The change in the Company's corporate name to "PhilWeb.Com, Inc.", its primary purpose from a mining and oil exploration company to that of an Internet company, increase in the number of directors to 15, and adoption of new By-laws became effective upon their approval by the SEC on February 8, 2000. The SEC subsequently approved the increase in the Company's authorized capital stock to P2.6 Billion and the declassification of its common shares to one class on March 6, 2000.

At the annual stockholders' meeting on May 31, 2002, the stockholders approved the change in corporate name from "PhilWeb.com, Inc." to "PhilWeb Corporation". The SEC approved these changes on November 5, 2002.

At the annual stockholders' meeting on May 29, 2003, the stockholders approved the amendment of the Company's Articles of Incorporation by changing the primary purpose to that of application service provider for gaming and including the current internet business activities as an additional secondary purpose of the Company. The SEC approved these amendments on November 10, 2005.

At the annual stockholders' meeting on May 28, 2009, the stockholders approved the amendment to the Company's Articles of Incorporation changing the par value of the Company's common stock from P0.01 per share to P1.00 per share, with the authorized capital stock unchanged at P2.6 Billion but with a concurrent decrease in the number of shares from 260

Billion shares to 2.6 Billion shares. On September 22, 2009, the Securities and Exchange Commission approved the said amendment.

1.1 PAGCOR e-Games cafés

e-Games was licensed by the Philippine Amusement and Gaming Corporation (PAGCOR) in 2003 to launch e-Games Stations, which are Internet cafés exclusively dedicated to casino games. With technology provided by PhilWeb, patrons can choose from more than 300 casino games, including baccarat, blackjack, various slot machine games, video poker and sports betting. Most e-Games cafés operate on a 24/7 basis.

There were 288 operating e-Games cafés across the country, majority of which are owned and operated by independent operators. These e-Games Operators handle day-to-day operations and get a commission based on the casino winnings of the café.

On August 11, 2016, PAGCOR decided not to renew the Intellectual Property License and Management Agreement (IPLMA) with PhilWeb. Following the expiration of the said IPLMA with PAGCOR for the e-Games service, PhilWeb has been unable to provide services to the e-Games operators. During that time, PhilWeb continued to comply with PAGCOR instructions on the release of operator funds as well as player credits in their gaming accounts.

On August 14, 2017, PAGCOR published guidelines for the Accreditation of Electronic Gaming System (EGS) Service Provider. PAGCOR issued its first EGS accreditation to PhilWeb on October 30, 2017. On December 1, 2017, the first 16 electronic gaming locations were allowed to operate under PhilWeb's Electronic Gaming System platform.

On February 20, 2018, PAGCOR then allowed the Company to offer its services to an additional 21 electronic gaming location. On March 7, 2018, PAGCOR issued a memorandum accepting and processing applications of new and existing operators to resume the use of the Company's electronic gaming system, thereby allowing the Company to fully resume its operations.

Operator Partnerships

As of the preparation of this report, there are 66 locations across the country that are operating under PhilWeb.

Content and Services

PhilWeb's Electronic Gaming System platform resumed with the Magic Macau suite of casino games. These games include wide-area progressive slots, video poker, and electronic table games such as Blackjack and Baccarat. The Company implemented two more gaming softwares containing various games during the year. This gives more variety and options for the customers of eGaming locations.

Apart from these, PhilWeb also resumed support services being provided to Operators, such as Accounting and Reporting, jackpot fund management, remittance management, technical support, marketing and customer service.

Marketing

At the resumption of its Electronic Gaming service, PhilWeb launched a number of marketing initiatives to build awareness of the return of its platform. Operating sites were provided with support collaterals covering regulatory announcements, branded content and promotional activities. PhilWeb also provided financial and logistical support for relaunch activities under the new platform.

PhilWeb also conducted customer experience enhancement activities such as the daily "Power Hour" draw and the weekly "Platinum Customer" draw which rewarded customers for playing and staying loyal to the PhilWeb gaming platform.

1.2 BigGame, Inc.

From 10 operating locations at the start of 2017 to 26 operating location in 2018, BigGame ended 2019 with 30 operating locations across the country. This was achieved partly through the acquisition of electronic gaming sites in different parts of the country.

BigGame's network of cafés functions as the Company's "R&D laboratory" where new games, strategies and other innovative ideas are first tested. Results, whether positive or negative, are reported to e-Games operators during the quarterly General Assemblies. If a new game or idea delivers positive results and is approved unanimously by the operators, the BigGame café in question becomes the standard by which all other BigGame and e-Games cafés will follow. Because of this rigorous process, BigGame continues to bring in improved gaming configurations and upgrades for the Company's various services and amenities

Best Gaming Experience

BigGame continues to provide the Best Gaming Experience to its customers. Continuous daily food service has become a mainstay at the BigGame locations since its introduction in 2016.

BigGame continues its site expansion, renovation and refurbishment activities in 2018. The year ahead will also see more innovations and improvements in player experience. Player acquisition efforts will also be a focus through activation activities in various entertainment establishments. BigGame remains committed to increasing customer service levels, as well as adding site amenities and creating an ambiance that extends the best gaming experience for our target market.

1.3 e-Bingo

In an effort to expand and diversify operation, PhilWeb, thru Easy e-Bingo, Inc. (a wholly-owned subsidiary) acquired two electronic bingo sites located in the National Capital Region. This provides PhilWeb with valuable insights into another segment of the gaming industry.

Easy e-Bingo, Inc. is currently operating seven e-Bingo locations.

1.4 Corporate Services

Finance

The PhilWeb Finance Department continued to provide its unwavering support to the growth of the business through the sound implementation of financial systems, processes and internal control policies that safeguard the Company assets and resources.

Finance developed the reporting process and reconciliations of progressive jackpot contributions and actual payouts for slot machine games. This paved the way for PAGCOR to approve the introduction of new games with large progressive payouts, such as Happy Golden Ox, Three Stooges and Rudolf's Revenge. The introduction and implementation of new games was successful not only in creating excitement for our players, but also in delivering additional revenue to all our stakeholders.

Another milestone was the implementation of our closed-loop e-wallet which we branded "e-SAFE". The keys to the implementation of e-SAFE were the internal controls and security measures that we established to ensure that the client's money is safe and secure. Coupled with the introduction of new gaming platforms such as MSW, the e-SAFE will now allow players to place bets to these games using the wallet balance. This will also allow players to receive payouts through their wallets, which they can keep or withdraw any time they want. The Company is looking of re-launching this wallet in the near future.

Finance continues to ensure that all cash from the nationwide network of e-Games are collected on a timely and accurate manner. Through our company-proprietary POS system and 24/7 operation of our Cash Centers, we are able to monitor cash exposure and thereby enabling us to collect or replenish the cash needs of each site almost immediately. Our arrangements with banks, also allow us to replenish the operator and pay the player of the provincial sites on a real-time basis. The strict implementation of collection policies enables us to manage our cash with very minimal risk to the Company and to the operator.

Finance continuously provides financial reports, reconciliations in a timely manner to management and stakeholders to support key business decisions.

Legal

The Legal Department ensures that the interests of the Company as well as its subsidiaries and affiliates are fully protected. Likewise, it makes certain that the Company observes all laws, rules and regulations relevant to the operation of its business and that it complies with all the reportorial requirements of various government offices and agencies such as, but not limited to, the Securities and Exchange Commission, the Philippine Stock Exchange, the Board of Investments and the Philippine Economic Zone Authority. In the same manner, the Legal Department manages and oversees the Company's dealings with concerned local government units with respect to the issuances of permits and licenses.

The Legal Department is also responsible for the registration of trademarks, patents and copyrights that are aimed to protect the intellectual property rights of the Company. Moreover, it is in-charge of reviewing all the contracts that the Company enters into thereby guaranteeing that the terms of every agreement are beneficial to the interests of the Company. Further, the Legal Department handles all cases brought by or against the Company whether these cases involve civil, criminal or administrative matters. In all, the Legal Department serves as the legal adviser and consultant of the Company, ever vigilant and protective of the Company's rights and interests.

Customer Support

In our continued drive to provide fast and reliable support to all e-Games members, operators and site staff, as well as customers of MegaSportsWorld 365 days a year, 24 hours a day, several changes were introduced in the Customer Support department. New channels were opened from the traditional hotline and email, to include SMS and chat support through the Viber app. A new Customer Relationship Management system was likewise implemented giving the team and other key customer facing groups a real time, single source of client engagements and interactions. With such improvements in place, over 250,000 transactions were handled last year across all PhilWeb products and the different channels. Customer Support has maintained a 92% average answer rate for all inbound calls and written customer correspondences (email, SMS and chat) were responded to within 30 minutes. On top of all inbound transactions from various stakeholders, the group has carried out continuous outbound support for other departments: Marketing - for promo related activities; Information Technology - for maintenance advisories; and Finance - for cash collection and replenishment.

The group aims to enrich and further improve customer experience by providing more options for individuals to communicate and interact with us, streamline processes to shorten resolution times, and targeted staff training to reinforce the culture of service in every member of the Customer Support team.

1.5 Information Technology

PhilWeb's Information Technology group is composed of four functional departments, namely: Infrastructure, Software Development, Service Delivery and Service Support. Each department's functions are aligned with PhilWeb's operational requirements as well as its corporate needs.

The Infrastructure Department's primary role is to provide all the components - hardware, software, network resources, facilities and services - needed to deliver IT services for PhilWeb's casino and corporate operations. The team is also responsible for the monitoring and maintenance of these components, providing level two support to ensure that operations are available 24/7.

The Software Development Department is in charge of creating and implementing software vital to PhilWeb's casino operations. As of this writing, a number of home grown applications are in production which will allow PhilWeb to provide a better experience to its operators by

providing a point-of-sales system through which they can record and track member transactions in the site. Members are provided a better gaming experience by providing members a facility to manage their membership information as well as loyalty points. Internally, the group has also developed tools to provide the operational teams such as Customer Support, Finance Operations, and Casino Operations with the information they need for their day-to-day activities.

The Service Delivery Department is responsible for the implementation and management of quality IT services. Guided by industry best practices, the group manages delivery of services through the disciplines of Project Management and Service Management. In line to its vision to ensure quality, the team also has a Quality Assurance unit which conducts testing on home grown software prior to customer endorsement in order to ensure that business requirements are met.

The Service Support Department is in-charge of providing first level technical support and service monitoring to ensure that IT services are always available to both internal and external customers of the Company. There are two groups under this department: a) the Technical Support team, which monitors and performs first level troubleshooting on services pertaining to PhilWeb's corporate & casino infrastructure and B) Field Support, which is tasked to provide first level troubleshooting for e-Games sites. Tickets reported by site personnel and operators are first escalated to this team for validation and resolution.

Information Security

PhilWeb transformed the Security and Compliance Group into the Information Security Group. The Group provides guidance on securing and protecting the privacy of information, and ensures that the institution maintains appropriate operational controls, standards, processes and Information security policies. The Information Security Group reports directly to the Office of the President.

After the establishment of the Information Security Group, IT network security was transferred from The Information Technology Group to Information Security in order to provide a better alignment and direction with regards to PhilWeb Security. The IT Network Security team focuses on PhilWeb's perimeter security, on the design and implementation of security appliances, and on ensuring a secured gaming environment.

Information Security Engineering was also established to provide application security, endpoint security and access control management for PhilWeb Corporation.

The Information Security Group is composed of two teams, namely the Information Security Engineering Team and IT Network Security.

1.6 Human Resources and Administration

Organization Structure

PhilWeb's Human Resources and Administration Departments were re-structured in January of 2016 and became one division, Human Resources and Administration. Merging the two departments was effective and cost efficient maximizing the combined competencies of the former 2 departments that gave more solid support for the Company.

The Human Resources Department (HR)

Recruitment & Selection

Recruitment and Selection in PhilWeb continued to follow stringent procedures to ensure that we are hiring only qualified and competent workforce.

New Hires Orientation covering the Company's Vision, Mission and Core Values, Culture and History of PhilWeb, the Organization Chart, Product Training, Policies and Procedures and Code of Conduct as well as explanation on their Employment Contract – comprise the outline of the Induction Program and is given prior to turnover to the requesting department. Technical orientation is handled by the respective department.

As of December 31, 2019, the Company has total of 188 employees.

Compensation and Benefits

The HR Department ensured timely delivery of compensation and benefits to the workforce and their professional and personal growth were charted through based Performance Evaluation/Appraisal.

Employee Engagement

In addition to workplace learning and development interventions as tool for workforce retention and engagement, regular general assemblies and other means of communication are undertaken to get the workforce pulse as regards the company's business developments.

Corporate Social Responsibility (CSR)

PhilWeb reaffirms its commitment and responsibility to its stakeholders through sound and efficient fiscal management of its business from top to departmental level. While this is foremost in our minds, the responsibility to our constituents and community and the environment we work in cannot be undermined.

PhilWeb continues to share our resources and propagates its advocacy to bring computer literacy and education to the less privileged of our society even to the farthest and remote areas. Consistent with the government's endeavor of inclusive growth, the donation does not only end in the delivery of the hardware but comes with related trainings and applications on the use of computers and applications.

The Administration Department

The Administration Team continued to place great effort in cost-effective measures to support the company's goal to achieve economy and efficiency in its operations without sacrificing the quality of support they render to PhilWeb.

The Administration Team continued to do their share in the timely delivery of their services, ensured that needs of the company were met and repairs and preventive maintenance on the equipment were planned and executed with the least downtime to the Company.

The Human Resources and Administration Division will continue to be a strategic partner of the different business units of PhilWeb and will continue to contribute to innovation for excellence in all our endeavors.

Subsidiaries

The following are the subsidiaries of the Company:

<u>Subsidiaries</u>	<u>Line of Business</u>
1. BigGame, Inc. ("BGI")	Operates internet gaming and bingo stations.
2. Premyo sa Resibo, Inc. ("PSR") (g)	Develops and markets computer systems, applications, programs and operate gaming platforms in relation to Premyo Sa Resibo program of the BIR and Philippine Amusement and Gaming Corporation (PAGCOR).
3. PhilWeb Casino Corporation ("PCC") (a)	Develops, engages and maintains gaming systems and applications for all types of casino operations whether land-based, internet-based or virtual.
4. e-Magine Gaming Corporation (b)	Develops technology for the gaming industry.
5. PhilWeb Leisure & Tourism Corporation ("PLTC") (a)	Establishes, operates, and maintains leisure and tourism-oriented activities.
6. PhilWeb Tourism and Entertainment Corporation ("PTEC") (a)	Establishes, operates and maintains leisure-oriented activities, except in the travel agency business, and facilities such as but not limited to hotels, courts, stadiums and other facilities for the conduct of any and all kinds of sports and games.
7. PhilWeb International Gaming Corporation ("PIGC") (c)	Engages in international gaming ventures including all forms of gaming which are legal in the countries in which it will operate.

8. Easy e-Bingo, Inc. ^(e)	Engage in the business of setting up internet bingo stations and its operations.
9. PhilWeb Mobile Lottery Corp. ("PMLC") ^(a)	Operate, as may be permitted by law, either alone or in partnership with others, mobile-based lottery games and other related mobile game offerings.
10. PhilWeb Asia-Pacific Corporation	Engage in international gaming ventures including all forms of gaming which are legal in the countries in which it will operate.
11. PhilWeb (Cambodia) Ltd.	Incorporated under the laws of Kingdom of Cambodia, and shall engage in the business of operating internet-based and mobile-based games of chance including but not limited to lottery, internet casino café and other games of chance as they become legally available in the Kingdom of Cambodia.
12. PhilWeb Lorosae, Lda. ^(h)	The Company was incorporated under the laws of Timor Leste and is engaged in the business of operating instant Scratch n' Win.
13. Guam Sweepstakes Corp.	Incorporated in the Territory of Guam and entered into a Memorandum of Agreement with a prominent local family.
14. Gold Scratch and Win Co., Ltd. ^(h)	Incorporated under the laws of the Kingdom of Cambodia and engaged in the business of operating instant Scratch n' Win.
15. Best Choice Holdings, Inc.	Engages to purchase, own, and hold stocks of other corporations and to do every act and thing covered generally by the denomination "holding corporation".
30% owned with control: 16. Major Games and Amusement Corporation ^(d)	Establishes, operates and provides consultancy services with regards to amusement, recreational, gaming and gaming equipment facilities and enterprises of every kind and nature.
Special Purpose Entity: 17. Pure Corporate Investments Ltd. ^(f)	Holds 50% ownership in Host Union International Limited

(a) Not in commercial operations as at December 31, 2018.

(b) Formerly PhilWeb Gaming Solutions Corporation (PGSC), change in registered business activity and name were approved by the SEC on July 17, 2012 and December 17, 2012, respectively.

(c) Currently the parent company of PhilWeb Asia-Pacific Corporation.

(d) Became a subsidiary effective January 1, 2012.

(e) Formerly PhilWeb Homeplay Inc, change in name was approved by the SEC on April 7, 2014.

(f) Acquired in 2012, 100% owned in 2012.

(g) Ceased commercial operations effective October 1, 2014.

(h) Dissolution of PhilWeb Lorosae, Lda and Gold Scratch and Win Co., Ltd. was approved by the Board of Directors on December 19, 2014 and January 16, 2015, respectively.

Directors and Executive Officers

PhilWeb's present Board of Directors is composed of 9 members elected by and from among the Company's stockholders. The Board is responsible for providing overall management and direction to the Company.

The directors and executive officers of the Company and a brief description of their business experience for the past five years are discussed below:

Name	Age	Position/Citizenship/Period Served/Term of Office
Gregorio Araneta III	72	Director & Chairman/Filipino/6 years/1 year
Crisanto Roy B. Alcid	50	Director & Vice-Chairman/Filipino/5 years/1 year
Edgar Brian K. Ng	50	Director & President/Filipino/1 month/1 year
Edgar N. Ang	68	Director/Filipino/3 years/1 year
Luis M. Araneta	35	Director/Filipino/3 years/1 year
Mario A. Oreta	73	Director/Filipino/3 years/1 year
Rafael B. Ortigas	59	Director/Filipino/18 years/1 year
Philip S. Tuazon	68	Director/Filipino/3 years/1 year
William M. Valtos, Jr.	59	Director/Filipino/3 years/1 year
Ricky E. Rosario	32	CFO & Comptroller/Filipino/4 months/1 year
Alexius D. Coliat	44	CFO & Treasurer/Filipino/4 months/1 year
Mona Liza I. Navarro	40	Vice President/Filipino/3 years/1 year
Raymund S. Aquino	51	Corporate Secretary/Filipino/ 3 years/1 year

Gregorio Ma. Araneta III was elected Chairman of the Company in September 2016. He was elected Director of the Company in May 2014. He is the Chairman and Chief Executive Officer of Araneta Properties, Inc. since 2010. He is the Chairman and President of Gregorio Araneta, Inc., ARAZA Resources Corporation, H. E. Heacocks Resources Corp., Gregorio Araneta Management Corporation, Gamma Properties Inc. and Carmel Development Inc. He is also the Chairman of Energy and Gas Holdings Inc. Mr. Araneta attended the University of San Francisco and the Ateneo de Manila University, where he received his degree in Bachelor of Arts in Economics.

Crisanto Roy B. Alcid was elected Vice-Chairman of the Company in September 2017. He was elected Director of the Company in April 2015. He is the President and Chief Operating Officer of Araneta Properties, Inc. while concurrently serving as Director and Executive Vice President of Gregorio Araneta, Inc., Carmel Development Corp., Gregorio Araneta Management Corporation, and Araza Resources Corporation. He is also a Director of Philippine Coastal Storage & Pipeline Corp. Before joining the Araneta Group, he was formerly connected with Ayala Land, Inc., Asiatrust Development Bank, and Citibank N.A. Mr. Alcid holds a Bachelor of Science Degree in

Management Engineering from the Ateneo de Manila University and has completed the General Management Program at the Harvard Business School.

Edgar Brian K. Ng was elected Director of the Company in February 2020. He is the President of the Company. In the past, he served as Managing Director/Country Manager of Affinity Express Philippines, Inc., Vice President & Country Manager of RR Donnelley Global Outsourcing, Director for Operations of OfficeTiger Philippines Corporation, and Director of Special Projects (Global Operations Support) for SPi. He also spent six years with The Print Town Group starting as a Prepress Manager for FEP Printing Corp and ending as Senior Vice President of LexMedia Digital. Aside from the corporate world, Mr. Ng has been heavily involved in the academe, as an instructor at both the undergraduate and graduate levels of Ateneo Universities. He has a Bachelor of Arts degree from the Ateneo de Manila University and an MBA from the Ateneo Graduate School of Business.

Edgar N. Ang was elected Director of the Company in September 2017. He is the Chairman and President of both The Angcore Group of Companies and AB&T Resources, Inc., which are engaged in Automotive Distribution. He is also the President of Rubiken Trading Corporation, a fertilizer-chemical company. Previously, he was the founder and managing director of Davao Cable World Network and Filipino Cable Corporation prior to its sale. He is also currently serving as Honorary Consul of the Republic of Korea to Davao City. He studied at the Ateneo de Manila University and Sophia University in Tokyo, graduating with Bachelor of Science degrees in Economics & Business Administration.

Luis M. Araneta was elected Director of the Company in September 2017. He is a Director and the Business Development Manager of Araneta Properties, Inc. He is the President of Estancias Holdings, Inc. and Cerros Corp, Vice-President and Treasurer of ARAZA Resources Corporation, Director and Corporate Secretary of Carmel Development, Inc., Director of PAGREL, Inc. He is a Director of Belisama Hydropower Corporation and Gregorio Araneta Energy Holdings, Inc. and Corporate Secretary of Gamma Properties, Inc. He studied at the Pace University in New York City where he earned his degree in Business Administration in Management.

Mario A. Oreta was elected Director of the Company in May 2016. He is also a former President and Vice-Chairman of Alphaland Development, Inc., Alphaland Balesin Island Resort Corporation, Alphaland Makati Place, Inc., The City Club at Alphaland Makati Place, Inc., Alphaland Balesin Island Club, Inc., and Alphaland Property Management Corporation. He is also a Director of Atok-Big Wedge Co., Inc. Mr. Oreta graduated with honors from the Ateneo De Manila University with a degree of Bachelor of Laws and immediately joined the law firm of Siguion Reyna, Montecillo and Ongsiako. He was also the founder and managing partner of Tanjuatco Oreta and Factoran Law Offices.

Rafael B. Ortigas was elected Director of the Company in April 2002. He is the Chairman and President of Leafar Commercial Corporation, a Director of Sagitro, Inc. and ISM Communications Corporation. He was a director of Itogon-Suyoc Resources,

Inc., and OCLP Holdings, Inc. and former General Partner of Ortigas and Company Ltd. Partnership. He is also a Trustee and President of Leafar Foundation, Inc. and a Trustee of the Ortigas Foundation, Inc. He has a Bachelor of Science degree in Computer Science from De La Salle University and an MBA from Ateneo de Manila Graduate School of Business.

Philip S. Tuazon was elected Director of the Company in September 2017. He is currently a Director of the Philippine Ports Authority as Private Sector Representative, which position he also held in 1993 to 1999. Concurrently he is also a Director of JYT Investment and Vice President/Director of Fairwind Harbor Services, Incorporated. He was formerly connected with New Filipino Maritime Agencies, Incorporated as Executive Vice President/Director and Director/President of Dolomite Mining Corporation. He was appointed as Administrator of Maritime Industry Authority (MARINA) where he served for almost seven years. He attended his collegiate years in Ateneo De Manila University, where he received his degree in Bachelor of Arts in Economics.

William M. Valtos, Jr. was elected Director of the Company in September 2017. He is a Director of ICCP SBI Venture Partners and Fiducia Asset Management Pte. Ltd. and serves as Chairman of DirectWithHotels Ltd. Prior to joining the ICCP Group, Mr. Valtos was Managing Director of Strategic Asset Management, Inc., a Chicago-based private direct investment firm managing over US\$600 million in assets. Mr. Valtos holds an MBA from the Kellogg School of Management at Northwestern University. He earned a BA in Economics and Political Science from the University of Illinois, where he was a Rhodes Scholar Candidate. Mr. Valtos is an active member of the Philippines-Singapore Business Council.

Ricky E. Rosario was elected as the CFO and Comptroller of the Company in August 2019. Mr. Rosario is a certified public accountant. His previous work experience includes being senior auditor of SGV & Co. He is an accredited tax practitioner and accredited CPA in public practice, commerce and industry. He is a member of the Philippine Institute of Certified Public Accountants and registered as an ASEAN Chartered Professional Accountant.

Alexius D. Coliat was elected as the CFO and Treasurer of the Company in August 2019. Mr. Coliat is a certified public accountant. His previous work experience includes being the Global Internal Audit Manager of Tyche Consulting Limited Phils. and a senior risk consultant of Hill & Associates Risk Consulting Philippines, Inc. He is a member of the Philippine Institute of Certified Public Accountants.

Mona Liza I. Navarro is currently a Vice President of the Company. She has been an IT practitioner for over 17 years with experience in Software Development, Project Management and IT Operations. She has a degree of Bachelor of Science in Computer Science from the University of the Philippines. She is an ITIL certified professional and a Certified IT Manager.

Raymund Nonato S. Aquino was elected Corporate Secretary of the Company in September 2017. He was a director of SGV & Co. He has a Juris Doctor Degree from the Ateneo de Manila University College of Law and a Bachelor of Arts degree major in Legal Management from the Ateneo de Manila University. He is a member of the Integrated Bar of the Philippines.

As of the date of this information statement, the foregoing will be nominated for re-election to the Board of Directors at the meeting. None of the above mentioned directors have declined to stand for re-election to the Board of Directors since the date of the last annual stockholders' meeting because of a disagreement with the Company on any matter relating to the Company's operations, policies, or practices.

F. Market Price, Dividends and Related Stockholder Matters

Market Information

PhilWeb Corporation's stocks are listed with the Philippine Stock Exchange.

The following table sets forth the high and low closing sales prices of the Common Shares listed on the PSE during the respective periods indicated according to published financial sources.

	Price per Share	
	High	Low
2017		
First Quarter (ending March 2017)	10.86	7.70
Second Quarter (ending June 2017)	11.58	7.06
Third Quarter (ending September 2017)	11.46	9.00
Fourth Quarter (ending December 2017)	9.72	7.46
2018		
First Quarter (ending March 2018)	7.76	6.11
Second Quarter (ending June 2018)	6.50	5.16
Third Quarter (ending September 2018)	5.82	4.39
Fourth Quarter (ending December 2018)	4.28	2.92
2019		
First Quarter (ending March 2019)	3.82	2.54
Second Quarter (ending June 2019)	3.71	2.61
Third Quarter (ending September 2019)	4.38	3.00
Fourth Quarter (ending December 2019)	3.22	2.35
2020		
First Quarter (ending March 2020)	4.12	1.12
Second Quarter (ending June 2020)	2.75	1.55
July 1, 2020	2.22	2.19

Dividends

PhilWeb declared a cash dividend of P0.10 per share which was paid on September 15, 2014 to the holders of common stock as of September 1, 2014. PhilWeb declared a cash dividend of P0.10 per share which was paid on December 5, 2014 to the holders of common stock as of November 21, 2014. PhilWeb declared a cash dividend of P0.15 per share which was paid on February 16, 2015 to the holders of common stock as of January 30, 2015. PhilWeb declared a cash dividend of P0.15 per share which was paid on May 21, 2015 to the holders of common stock as of May 7, 2015. PhilWeb declared a cash dividend of P0.15 per share which was paid on August 28, 2015 to the holders of common stock as of August 14, 2015. PhilWeb declared a cash dividend of P0.15 per share which was paid on November 26, 2015 to the holders of common stock as of November 12, 2015. PhilWeb declared a cash dividend of P0.20 per share which was paid on March 4, 2016 to the holders of common stock as of February 19, 2016. PhilWeb declared a cash dividend of P0.20 per share which was paid on June 24, 2016 to the holders of common stock as of June 14, 2016.

The Company's future retained earnings corresponding to undistributed equity in net earnings are not available for dividend distribution until declared by the affiliates. There is no restriction that limits the payment of dividend on common shares.

Holdings

There were 1,440 shareholders of record holding the Company's outstanding capital stock of 1,435,776,680 common shares as of June 30, 2020 net of treasury shares of 81,380,938. There is only one class of common shares.

Top 20 Stockholders

The top 20 stockholders of record of common shares as of June 30, 2020 (based on total outstanding capital stock of 1,435,776,680 common shares, net of treasury shares of 81,380,938) were:

	No. of Subscribed Common Shares	% to Total Outstanding
1. PCD Nominee Corporation: Filipino – 1,127,608,229 Non-Filipino – 32,348,919	1,159,957,148	80.79%
2. PhilWeb Casino Corporation	156,899,853	10.93%
3. Ang, Ramon S.	44,878,780	3.13%
4. Evermore Trading Limited	24,558,303	1.71%

5.	HKPirate Holdings, Inc.	21,223,565	1.48%
6.	Gregorio Araneta, Inc.	13,043,478	0.91%
7.	Elkhound Resources, Inc.	6,482,549	0.45%
8.	Umali, Amparo Cordial	835,400	0.06%
9.	Tan, Enrique	473,782	0.03%
10.	Filipino Pest Control & General Services, Inc.	420,000	0.03%
11.	Valdes, Dennis O.	399,999	0.03%
12.	Tan, Tiong	354,328	0.02%
13.	Manalo, Josephine A.	250,000	0.02%
14.	Ng, Edgar Brian K.	150,000	0.01%
15.	Pacheco, Juancho	144,000	0.01%
16.	Cabarrus, Estate of Jesus S.	139,304	0.01%
17.	Secor Holdings, Inc.	120,000	0.01%
18.	Bautista, Jose	93,981	0.01%
19.	Santos, Alfredo	93,981	0.01%
20.	Tan, Evelina	84,583	0.01%

Recent Sales of Unregistered/Exempt Securities

There has been no sale in the past three years of any unregistered securities of the Company.

G. Compliance with Corporate Governance Practices

The Company through its Compliance Officer, Ms. Mona Liza I. Navarro, has monitored the Company's compliance with SEC Memorandum Circular No. 2 dated April 15, 2002, SEC Memorandum Circular No. 19 Series of 2016 and the relevant SEC Circulars on Corporate Governance and noted that no substantive or major deviations occurred. The Company's directors and officers have complied with the practice and policies contained in the Company's Manual on Corporate Governance. The Company has submitted its self-rating performance assessment sheet in compliance with SEC requirements. All of the Company's directors and officers attended a seminar on corporate governance.

The Company's Board of Directors and officers have been properly briefed on their specific responsibilities as embodied on the Manual on Corporate Governance. The compliance officer monitors the Company's compliance with the provisions and requirements of the manual and determines violations if any.

There were no deviations made from the adopted Manual on Corporate Governance.

The Company's management considers its Manual on Corporate Governance sufficient and believes that there is no need to amend it. It ensures that the provisions of the manual are properly implemented.

- H. UPON THE WRITTEN REQUEST OF A STOCKHOLDER, THE COMPANY WILL PROVIDE, WITHOUT CHARGE, A COPY OF THE COMPANY'S SEC FORM 17-A (ANNUAL REPORT) DULY FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. THE STOCKHOLDER MAY BE CHARGED A REASONABLE COST FOR PHOTOCOPYING THE EXHIBITS.**

ALL REQUESTS MAY BE SENT TO THE FOLLOWING ADDRESS:

**PhilWeb Corporation
41st Floor, One San Miguel Avenue Condominium
San Miguel Avenue corner Shaw Boulevard
Ortigas Center, Pasig City, Philippines**

**Attention: Mr. Alexius D. Coliat
Treasurer/Chief Finance Officer**

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **WILLIAM M. VALTOS, JR.**, Filipino, of legal age, with address at 8 Tanguile Road, Forbes Park, Makati City, after having sworn to in accordance with law, hereby depose and state that:

1. I am an Independent Director of PhilWeb Corporation (the "Corporation");
2. I am affiliated with the following companies or organizations:

Company	Position/Relationship	Period of Service
Investment & Capital Corporation of the Philippines	<ul style="list-style-type: none">▪ Chief Executive Officer▪ Vice Chairman	2013 to 2019 2009 to 2013
ICCP SBI Venture Partners	<ul style="list-style-type: none">▪ Senior Managing Director▪ Executive Vice President and Managing Director	1999 to present 1996 to 1999

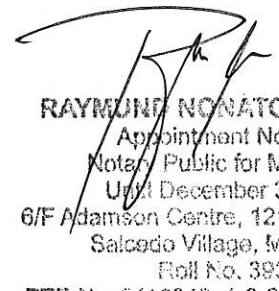
3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of the Corporation as provided for in Section 38 of the Securities Regulations Code, its implementing Rules and Regulations and other SEC issuances;
4. I am not related to any director/officer/substantial shareholder of the Corporation and its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3. of the Securities Regulation Code.
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
7. I shall inform the Corporate Secretary of the Corporation of any changes in the abovementioned information within five days from its occurrence.

Done this 17th day of February 2020, Makati City.


WILLIAM M. VALJOS, JR.
Affiant

SUBSCRIBED AND SWORN TO before me this 17th day of February 2020 at Makati City,
affiant exhibiting to me his TIN 910-341-569.

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RAYMOND NONATO S. AQUINO
Appointment No. M-82
Notary Public for Makati City
Until December 31, 2020
6/F Adamson Centre, 121 L.P. Leviste St.
Salcedo Village, Makati City
Roll No. 39348
PTR No. 8116343; 1-3-2020/Makati City
IBP No. 100760; 1-3-2020/RSCC
MCLE Comp. No. VI-0018345; 2-18-2019/100760

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **RAFAEL B. ORTIGAS**, Filipino, of legal age, with address at 10/F Ortigas Building, Ortigas Avenue, Pasig City, after having sworn to in accordance with law, hereby depose and state that:

1. I am an Independent Director of PhilWeb Corporation (the "Corporation");
2. I am affiliated with the following companies or organizations:

Company	Position/Relationship	Period of Service
Leafar Commercial Corporation	Chairman/ President	2009 to present
Sagitro, Inc.	Director	2009 to present
Ortigas Foundation	Trustee	2010 to present
Leafar Foundation	Trustee & President	2012 to present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of the Corporation as provided for in Section 38 of the Securities Regulations Code, its implementing Rules and Regulations and other SEC issuances;
4. I am not related to any director/officer/substantial shareholder of the Corporation and its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3. of the Securities Regulation Code.
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
7. I shall inform the Corporate Secretary of the Corporation of any changes in the abovementioned information within five days from its occurrence.

FEB 14 2020
 Done this 14th day of February 2020, **PASIG CITY**

Rafael B. Ortigas
RAFAEL B. ORTIGAS
 Affiant

FEB 14 2020
FEB 14 2020
 SUBSCRIBED AND SWORN TO before me this 14th day of February 2020 at **PASIG CITY** affiant exhibiting to me his Philippine Passport No. P4925287A issued at DFA Manila on November 2, 2017.

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Allan Narciso P. Macasaet
ALLAN NARCISO P. MACASAET
 Notary Public for the Cities of Pasig, San Juan and Municipality of Pateros, Metro Manila
 December 31, 2021
 Appointment No. 74 (2020-2021)
 16/F, Unit 1602 The Centerpoint Bldg.,
 Julia Vargas Ave., Ortigas Center, Pasig City
 IBP No. 101668-01/06/2020-RSM
 PTR No. 6440219-01/07/2020-Pasig City
 Roll No. 42176

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **MARIO A. ORETA**, Filipino, of legal age, with address at 10/F Alphaland Southgate Tower 2258 Roces Avenue corner EDSA, Makati City, after having sworn to in accordance with law, hereby depose and state that:

1. I am an Independent Director of PhilWeb Corporation (the "Corporation");
2. I am affiliated with the following companies or organizations:

Company	Position/Relationship	Period of Service
Alphaland Makati Place, Inc.	President	February 2010 - present
The City Club at Alphaland Makati Place, Inc.	President	October 18, 2010 - present
Atok-Big Wedge Co., Inc.	Director	November 2009 - present
Major Holdings Corporation	Chairman	July 1982 - present
Major Homes, Inc.	Chairman	January 1987 - present
Major Properties Corporation	Chairman	June 1982 - present
La Finca Farm and Country Resort	Chairman	September 2005 - present
The Law Firm of Mario A. Oreta and Partners	Founding Partner	November 2016 - present

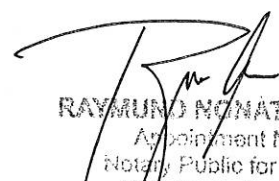
3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of the Corporation as provided for in Section 38 of the Securities Regulations Code, its implementing Rules and Regulations and other SEC issuances;
4. I am not related to any director/officer/substantial shareholder of the Corporation and its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3. of the Securities Regulation Code.
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
7. I shall inform the Corporate Secretary of the Corporation of any changes in the abovementioned information within five days from its occurrence.

Done this 17th day of February 2020, Makati City.


MARIO A. ORETA
Affiant

SUBSCRIBED AND SWORN TO before me this 17th day of February 2020 at Makati City, affiant exhibiting to me his TIN 106-196-040.

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RAYMUNO NONATO S. AQUINO
Appointment No. M-82
Notary Public for Makati City
Until December 31, 2020
5/F Adamson Centre, 121 L.P. Levisto St.
Saicedo Village, Makati City
Roll No. 39348
PTR No. 8116343; 1-3-2020 /Makati City
IBF No. 100780; 1-3-2020/REM
ACLE Comp. No. VI-0018345; 2-18-2019/ TIN 106-196-040

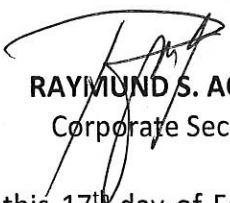
REPUBLIC OF THE PHILIPPINES)
MAKATI CITY)S.S.

CERTIFICATION

I, **RAYMUND S. AQUINO**, Filipino, of legal age, with office address at 6/F Adamson Centre, 121 L.P. Leviste Street, Salcedo Village, Makati City, after having been sworn in accordance with law, do hereby depose and state:

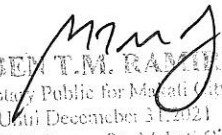
1. I am the Corporate Secretary of PhilWeb Corporation (the "Corporation"), a corporation duly organized and existing under the laws of the Philippines.
2. Based on the records of the Corporation, I hereby certify that except for Mr. Philip S. Tuazon who is an appointive director of the Philippine Ports Authority representing the private sector, none of the Corporation's directors and officers works in the government of the Republic of the Philippines.

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of February 2020 in the City of Makati.


RAYMUND S. AQUINO
Corporate Secretary

SUBSCRIBED AND SWORN to before me this 17th day of February 2020 in the City of Makati by Mr. Raymund S. Aquino who presented to me his TIN 167-317-782.

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Page No.: 90 ;
Book No.: 802 ;
Series of 2020.


RUBEN T.M. RAMIREZ
Notary Public for Makati City
Until December 31, 2021
2086 E. Pasqua St., Makati City
IBP O.R. No. 091071/December 10, 2019
Roll No. 28947/MCLE No. VI-0020246
PFR No. MKT 8117044/1-02-2020
Appointment No. M-158

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **PHILIP S. TUAZON**, Filipino, of legal age, with address at Unit 14-D Twin Towers Condominium, Ayala Avenue, Makati City, after having sworn to in accordance with law, hereby depose and state that:

1. I am an Independent Director of PhilWeb Corporation (the "Corporation");
2. I am affiliated with the following companies or organizations:

Company	Position/Relationship	Period of Service
Philippine Ports Authority	Director	2017 to present
JYT Investment Corp.	Director	1986 to present
Fairwind Harbor Services	Director/ Vice President	2010 to present
Chen Yi Agventures, Inc.	Independent Director	2018 to present


3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of the Corporation as provided for in Section 38 of the Securities Regulations Code, its implementing Rules and Regulations and other SEC issuances;
4. I am not related to any director/officer/substantial shareholder of the Corporation and its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3. of the Securities Regulation Code.
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I have the required written permission or consent from the Philippine Ports Authority to be an independent director of the Corporation pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.
7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of the Corporation of any changes in the abovementioned information within five days from its occurrence.

Done this 17th day of February 2020, Makati City.


PHILIP S. TUAZON
 Affiant

SUBSCRIBED AND SWORN TO before me this 17th day of February 2020 at Makati City, affiant exhibiting to me his TIN 101-825-490.

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RAYMOND RENATO S. AQUINO
 Appointment No. M-82
 Notary Public for Makati City
 Until December 31, 2020
 6/F Adamson Centre, 121 L.P. Levisto St.
 Salcedo Village, Makati City
 Roll No. 32348
 PTR No. 8111343; 1-3-2020/Makati City
 IDP No. 100780; 1-3-2020/RGM
 JCLE Comp. No. VI-0018345; 2-18-2019/TIN 151



CERTIFICATION

Pursuant to Republic Act No. 10149 otherwise known as the GOCC Governance Act of 2011, GCG Memorandum Circular No. 2012-05 on Fit and Proper Rule for Appointive Directors and Chief Executive Officers, and the Philippine Ports Authority (PPA) Manual of Corporate Governance, PPA interposes no objection to the nomination of Mr. Philip S. Tuazon, Appointive Director of PPA representing the Private Sector, as an Independent Director of PhilWeb Corporation (PhilWeb). This is however, subject to the following conditions:

1. That Mr. Tuazon shall, at all times, avoid any conflict of interest as prescribed in the Code of Conduct and Ethical Standards for Public Officials;
2. That Mr. Tuazon shall disclose or inform PPA immediately of any potential or actual conflict of interest; and,
3. That Mr. Tuazon shall inhibit himself from any and all deliberations regarding issues or matters which may have actual or potential conflict between the interest of PPA and PhilWeb.

This Certification is being issued upon the request of Mr. Tuazon in connection with his nomination as an Independent Director of PhilWeb and for whatever legal purpose this may serve.

Issued this 12th day of February 2020, City of Manila.


JAY DANIEL R. SANTIAGO
General Manager and Vice-Chairman
PPA Board of Directors