

ANNUAL MEETING OF THE STOCKHOLDERS
GMA HOLDINGS, INC.
May 27, 2022
via Remote Communication using Zoom Application

PRESENT:

Stockholders	Percentage of Shares
Felipe L. Gozon	33.30%
Gilberto R. Duavit, Jr.	33.30%
Joel Marcelo G. Jimenez	33.30%
Dr. Jaime C. Laya	.01%
Chief Justice Artemio V. Panganiban	.04%
Felipe S. Yalong	.01%

PRESENT DIRECTORS:

Felipe L. Gozon
Gilberto R. Duavit, Jr.
Joel Marcelo G. Jimenez
Jaime C. Laya
Artemio V. Panganiban

ALSO PRESENT:

Farley D. Areola
Maria Estelita B. Arles-Gozon
Ayahl Ari Augusto P. Chio
Anna Teresa M. Gozon-Valdes
Ronaldo P. Mastrili
Joan C. Rumbaoa
Eduardo P. Santos
Roy G. Sanico

Representatives from SGV & Co. (External Auditor):
Meynard A. Bonoen

I. CALL TO ORDER

The Chairman of the meeting, Felipe L. Gozon, called the meeting to order at 10:00 a.m. Atty. Anna Teresa M. Gozon-Valdes, assisted by Atty. Maria Estelita A. Gozon, acted as the secretary and recorded the minutes.

II. CERTIFICATION AND NOTICE OF QUORUM

The Chairman requested the Secretary to certify as to the proper sending of notice and existence of a quorum.

Corporate Secretary stated that for purposes of the Annual Stockholders' Meeting, the participants are being notified that the proceedings are being recorded in accordance with SEC Memorandum Circular No. 6, series of 2020. The Corporate Secretary also stated that a quorum existed to conduct business, after confirming (a) the location of each of the directors, (b) their ability to clearly hear or see the other attendees, (c) their receipt of the notice of the meeting and other materials, and (d) the device they are using. She also certified that notices of the meeting were sent in accordance with the by-laws of the Corporation and Memorandum Circular No. 6, Series of 2020, of the Securities and Exchange Commission.

The Corporate Secretary certified that the notices of the meeting were duly sent to all the stockholders in accordance with the By-Laws of the Company and that 99.96% of the total issued and outstanding common stock were present. She further certified that quorum is present for the transaction of business by the stockholders.

III. COMPLIANCE WITH THE REQUIREMENTS UNDER SECTION 49 OF THE REVISED CORPORATION CODE

The Chairman requested the Corporate Secretary to report, on behalf of the Board of Directors, the Company's compliance with the requirements under Section 49 of the Revised Corporation Code. The Corporate Secretary explained that under Section 49 of the Revised Corporation Code, the Board of Directors shall endeavour to present the stockholders the information flashed on the screen for their consideration:

1. Material Information on the current stockholders, and their voting rights;
2. A detailed, descriptive, balanced and comprehensible assessment of the corporation's performance;
3. An explanation of the dividend policy and the fact of payment of dividends;
4. Directors' profiles which shall include, among others, their qualifications and relevant experience, length of service in the corporations, trainings and continuing education attended, and their board representation in other corporations;
5. A director attendance report in board, committees and in stockholders' meetings;
6. Appraisal reports for the board and the criteria and procedure for assessment;
7. A director compensation report,
8. Director disclosures on self-dealings and related party transactions; and/or
9. The profiles of directors nominated or seeking election or reelection.

The Corporate Secretary likewise stated that the above information were set forth in detail in the Information Statement filed with the SEC and uploaded on the Company's website and the PSE Edge.

Finally, in compliance with Section 49 of the Code, the Corporate Secretary informed the stockholders that the voting and vote tabulation procedures for the meeting were stated in the following summary that was flashed on screen during the meeting for their guidance:

VOTING AND VOTING TABULATION PROCEDURES

(a) **Vote Required:** Motions, in general, require the affirmative vote of a majority of the shares of the Company's common stock present and/or represented and entitled to vote. However, under Philippine law, certain proposed actions may require the vote of at least two thirds (2/3) of the outstanding capital stock of the Company. The manner of voting is non-cumulative, except as to the election of directors.

(b) **Method:** *Straight and cumulative voting.* In the election of directors, the five (5) nominees garnering the highest number of votes shall be elected directors. The stockholder may vote such number of shares 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, or he may distribute them on the same principle among as many candidates as he shall see fit; provided, the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the number of directors to be elected.

Voting shall be done by a show of hands.

The Corporate Secretary or the Secretary of the meeting shall likewise be responsible if the voting is done by a show of hands.

IV. APPROVAL OF THE MINUTES OF THE STOCKHOLDERS' MEETINGS HELD ON MAY 28, 2021

The Chairman stated that the first item in the order of business was the review and approval of the Minutes of the Stockholders' Meetings held on May 28, 2021. Copies of the said Minutes have been sent via email prior to the meeting. Director Duavit moved that the minutes be approved and adopted. Director Jimenez seconded the motion.

The results of the votes cast for the Agenda was then shown on the screen for the stockholders' information: *Approval of the Minutes of the Stockholders' Meetings held on May 28, 2021: Yes: 99.96% No: 0% Abstain 0%.*

The following resolution was unanimously approved by the stockholders holding 99.96% of the Company's total issued and outstanding shares present:

"RESOLVED, That the Minutes of the Stockholders' Meetings held on May 28, 2021 are hereby APPROVED."

V. REPORT OF THE PRESIDENT

The Chairman stated that the next item on the Agenda is the Report of the President. He then called Mr. Roy G. Sanico to present the report of the President. Mr. Mastrili proceeded to read the President's Report as follows:

"Members of our Board of Directors, Fellow shareholders, GMA Holdings officers, *Mga kapuso*, Good Morning! The Philippines' Gross Domestic Product (GDP) rebounded from the havoc created by Covid-19 as it grew by 5.6 percent in 2021 comparable to pre-pandemic levels. Increased household consumption, government expenditure and public construction buoyed business activities as pandemic-related restrictions were relaxed.¹

The benchmark Philippine Stock Exchange index went down by 0.2 percent to close at 7,122.63 from the end-2020 level of 7,139.71. In contrast, the U.S. Dow Jones Industrial Index went up by 18.7 percent from the previous year.

GMA's PDR, however, bucked the trend and went up by 121% to P13.14 per PDR at the close of the year 2021, coming from P5.95 per PDR as of end-2020.

GMA Common shares likewise increased in value from P6.00 per share to P13.84 per share or up by 57% as of December 31, 2021.

A total of 209,365,351 PDRs were converted into common shares (GMA7) this year versus 45,204,300 PDRs converted last year. One of the main reasons for the increase in PDR conversions is the price difference between the GMA Common shares and PDRs. The average price difference in the second half of 2021 reached 1.44 per share, compared to only 20 centavos for the same period last year.

By year end, a total of 472,336,551 PDRs have been converted, bringing down the outstanding balance at end-2021 to 473,095,449 PDRs from the originally issued 945,432,000 PDRs at IPO in 2007.

Revenues increased significantly by 235% to P11.09 million in 2021 versus last year's level of P3.31 million due to the sharp increase in Exercise Fees amounting to P9.35 million. Interest Income likewise increased to P1.74 million in 2021 versus P1.29 million in 2020 due to higher interest income earned on cash placements.

Operating Expenses for the year totaled P983 thousand, a slight decrease of 2% versus P1 million in 2020 due to lower local business taxes.

¹ Source: PSA Press Release_Q4_2021-NAP (January 27, 2022); Nikkei Asia <https://asia.nikkei.com>

Given the higher revenues coupled with a decrease in expenses, Net Income after tax went up by 290% to P7.93 million compared with last year's P2.03 million.

By the end of 2021, total assets stood at P56.40 million, or 12% higher than last year's P50.37 million. Liabilities, on the other hand, remained practically unchanged at the P48 million level.

On March 25, 2022, the BOD of GMA Holdings approved the cash distribution to PDR holders in the amount of P1.45 per PDR, identical to the dividend rate paid by GMA Network to its common shareholders, undiminished by the PDR holders' proportionate share in the operating cost of the company which was not deducted. This was remitted to the PDR holders on May 18, 2022.

The BOD likewise declared a cash dividend of P7.90 million, which was paid to GMA Holdings stockholders on May 17, 2022.

Commitment to Good Governance

We continue to fulfill our commitment to provide quality financial reporting, adopt the best standards of good governance, comply with our statutory reporting requirements as a listed company and support GMA Network, Inc.'s initiatives in improving the market value of its shares.

Let me end my report by thanking the Board of Directors and the officers of GMA Holdings for their unwavering support and guidance throughout the years.

Maraming salamat po sa inyong lahat!"

Open forum

The Chairman opened the floor for questions. He asked if the stockholders had any questions.

There being no questions, Mr. Yalong (CFO/Treasurer/COO) moved that the President/CEO's Annual Report together with the financial statements for the period ending December 31, 2021 be noted and approved. Chief Justice Panganiban seconded.

The results of the votes cast for the Agenda was then shown on the screen for the stockholders' information: *Approval of the Annual Report and the Financial Statements as of December 31, 2021: Yes: 99.96% No: 0% Abstain 0%.*

There being no objection, the following resolution was therefore adopted by the stockholders holding 99.96% of the Company's total issued and outstanding shares present:

"RESOLVED, That, the President/CEO's Annual Report and the Financial Report for the period ending December 31, 2021 be, as they are, hereby NOTED and APPROVED."

VI. RATIFICATION OF THE ACTS OF THE MANAGEMENT, THE BOARD OF DIRECTORS, AND THE BOARD COMMITTEES FOR THE PREVIOUS YEAR

The Chairman stated that the next item on the agenda was the ratification of the various acts of Management, the Board of Directors, and the Board Committees of the Company from May 28, 2021 up to the present. The list of these acts were attached to the agenda for the meeting previously distributed to the stockholders.

The Corporate Secretary explained that the acts of the Management, the Board of Directors and the Committees were all conducted in the ordinary course of business and were reflected in the minutes of the meetings. The following acts in particular sought to be approved:

- (i) Declaration by the Board of Directors on March 25, 2022 of cash dividends to stockholders of record as of April 25, 2022;
- (ii) Approval by the Board of Directors on March 25, 2022 of Cash Distribution to PDR Holders on May 18, 2022 in accordance with the terms and conditions of the PDR Instrument dated July 16, 2007;
- (iii) All acts and resolutions of the Board of Directors and Management for the period covering May 28, 2021 to May 27, 2022 adopted in the ordinary course of business.

Director Laya moved that the various acts of management, the Board of Directors, and the Board Committees from May 28, 2021 up to the present be approved, confirmed and ratified. Director Duavit seconded the motion.

The results of the votes cast for the Agenda was then shown on the screen for the stockholders' information: *Approval and Ratification of the Various Acts of Management, the Board of Directors, and the Board Committees from May 28, 2021 up to the present: Yes: 99.96% No: 0% Abstain 0%.*

After hearing no objections, the following resolution was unanimously approved by the stockholders holding 99.96% of the Company's total issued and outstanding shares present:

"RESOLVED, That the various acts of the Management, the Board of Directors and the Board Committees from May 28, 2021 up to the present are hereby RATIFIED and APPROVED."

VII. APPROVAL OF THE MERITORIOUS JUSTIFICATIONS FOR THE RETENTION OF CHIEF JUSTICE ARTEMIO V. PANGANIBAN AND DR. JAIME C. LAYA AS INDEPENDENT DIRECTORS

The Chairman stated that the next item in the Agenda is the approval of the meritorious justifications of the Board of Directors for the retention of Chief Justice Artemio V. Panganiban and Dr. Jaime C. Laya as Independent Directors. He then requested the Corporate Secretary to explain this item on the agenda.

The Corporate Secretary explained that SEC MC No. 4 Series of 2017, provides that in the instance when the Company wishes to retain an independent director who has served for nine (9) years, the Board should provide meritorious justifications and seek shareholders' approval. On March 25, 2022 the Board of Directors of the Company convened in a Special Meeting and provided meritorious justifications for the retention of Chief Justice Panganiban and Dr. Laya, subject to the stockholders' approval. The said Meritorious Justifications was previously attached as *Annex "B-1" of the Rationale for the Salient Matters in the Agenda attached to the Notice of this Meeting* and shown on the screen for the convenience of the stockholders.

Director Jimenez moved for the approval of the meritorious justifications for the retention of Chief Justice Artemio V. Panganiban and Dr. Jaime C. Laya as Independent Directors. Mr. Yalong seconded the motion.

The results of the votes cast for the Agenda was then shown on the screen for the stockholders' information: Approval of the meritorious justifications for the retention of Chief Justice Artemio V. Panganiban and Dr. Jaime C. Laya as Independent Directors: *Yes: 99.96% No: 0% Abstain 0%.*

After hearing no objections, the following resolution was unanimously approved by the stockholders holding 99.96% of the Company's total issued and outstanding shares present:

"RESOLVED, as it is hereby resolved, that the meritorious justifications for the retention of Chief Justice Artemio V. Panganiban and Dr. Jaime C. Laya as the Company's Independent Directors be, as they are, hereby APPROVED and RATIFIED."

VIII. ELECTION OF DIRECTORS

The Chairman stated that the next item on the agenda was the election of directors, including the Independent Directors, for the ensuing year. He requested the Corporate Secretary to explain the Nomination Process of the Company for the information of the stockholders.

The Corporate Secretary explained that the Corporation's nomination process allows the Board of Directors and the stockholders to assess the abilities and sustainability of each candidate. The procedure and requirements for nomination as adopted by the Corporation under its By-laws and in accordance with Section 49 of the Revised Corporation Code are set forth in the Information Statement.

The Chairman then asked Mr. Duavit to present the nominees to the Board of Directors for the year 2022-2023.

The President reported that the following are the nominees to the Board of Directors for the year 2022-2023:

Mr. Gilberto R. Duavit, Jr.
Atty. Felipe L. Gozon
Mr. Joel Marcelo G. Jimenez
Dr. Jaime C. Laya
Chief Justice Artemio V. Panganiban

Chief Justice Artemio V. Panganiban and Dr. Jaime C. Laya are being nominated as independent directors.

Director Jimenez moved that the votes be cast in favor of the nominees. Mr. Yalong seconded the motion.

The Chairman then requested the Corporate Secretary to report the votes cast for each of the nominees.

The Corporate Secretary stated that each of the nominees received votes representing 99.96% of the total issued and outstanding shares of the Company, as follows:

Mr. Gilberto R. Duavit, Jr.	99.96%
Atty. Felipe L. Gozon	99.96%
Mr. Joel Marcelo G. Jimenez	99.96%
Dr. Jaime C. Laya	99.96%
Chief Justice Artemio V. Panganiban	99.96%

Upon motion duly made and seconded, and hearing no objections, the following were unanimously elected as members of the Board of Directors for the ensuing year 2022-2023, until their successors shall have been duly elected, by the stockholders holding 99.96% of the Company's total issued and outstanding shares present and represented:

Mr. Gilberto R. Duavit, Jr.
Atty. Felipe L. Gozon
Mr. Joel Marcelo G. Jimenez
Dr. Jaime C. Laya (*Independent Director*)
Chief Justice Artemio V. Panganiban (*Independent Director*)

IX. AMENDMENT OF THE BY-LAWS

The Chairman stated that the next item in the Agenda is the Amendment of the By-laws. He requested the Corporate Secretary to explain this item on the agenda.

The Corporate Secretary explained that on February 22, 2022, the Corporation, through the Law Firm of Belo Gozon Elma Parel Asuncion and Lucila, received a directive from the SEC's Corporate Governance Division to incorporate the requirement under SEC Memorandum Circular No. 3, Series of 2020 which provides that "(w)ritten notice of regular meetings shall be sent to all stockholders of record at least twenty-one (21) calendar days prior to the date" of the regular meetings.

In view of this directive, the Board of Directors of GHI approved to incorporate the proposed change/amendment to the Company's By-Laws as well as the changes and amendments summarized under Annex "A". The other changes/amendments are being made to reconcile the provisions of the By-laws with the provisions of the Revised Corporation Code and to digitize certain corporate and governance practices and processes. In relation to the proposed amendments, the following resolutions are being presented to the stockholders for approval:

- (a) Approval and adoption of the Amended By-laws as the new By-laws of the Corporation, in the form received by the Board of Directors, attached as Annex A;
- (b) Authorization of the Corporation to amend Article I, Section 4 of the By-laws;
- (c) Authorization of the Corporation to amend Article II, Sections 1-4 and 7 of the By-laws;
- (d) Authorization of the Corporation to amend Article III, Section 5 of the By-laws;
- (e) Authorization of the proper officers of the Corporation to file the appropriate application with the Securities and Exchange Commission and to do such acts as may be necessary to give force and effect to the foregoing amendment of the Corporation's By-laws.

Mr. Duavit moved for the approval of the resolutions for the proposed amendment to the By-laws. Mr. Yalong seconded the motion.

The results of the votes cast for the Agenda was then shown on the screen for the stockholders' information: Approval of the Resolutions for the Proposed Amendments to the By-laws *Yes: 99.96% No: 0% Abstain 0%*.

After hearing no objections, the following resolution was unanimously approved by the stockholders holding 99.96% of the Company's total issued and outstanding shares present:

"RESOLVED, that the Amended By-laws in the form received by the Board of Directors, which are attached as Annex A, are hereby approved and adopted as the new By-laws of the Corporation;

RESOLVED, that the Corporation be authorized, as it is hereby authorized to amend Article I, Sections 4 of the By-laws;

RESOLVED, that the Corporation be authorized, as it is hereby authorized to amend Article II, Sections 1-4 and 7 of the By-laws;

RESOLVED FURTHER, that the Corporation be authorized, as it is hereby authorized to amend Article III, Section 5 of the By-laws;

RESOLVED FINALLY, that the proper officers of the Corporation be authorized, as it is hereby authorized, to file the appropriate application with the Securities and Exchange Commission and to do such acts as may be necessary to give force and effect to the foregoing amendment of the Corporation's By-laws."

X. APPOINTMENT OF THE EXTERNAL AUDITOR

The Chairman stated that the next item on the agenda was the appointment of an external auditor. The present external auditor of the Company is the auditing firm of Sycip Gorres Velayo & Co.. The Chairman requested the Chairman of the Audit and Risk Management Committee to give its recommendation from the external auditor of the Company.

Director Laya stated that the Audit and Risk Management Committee has reviewed the performance and fees of the current external auditor. On March 25, 2022, the Board of Directors approved the recommendation of the Audit and Risk Management Committee to appoint Sycip Gorres Velayo & Co as the Company's external auditor, subject to the approval of the stockholders.

Mr. Yalong moved for the appointment of Sycip Gorres Velayo & Co. as the external auditor of the Corporation. Director Jimenez seconded the motion.

The results of the votes cast for the Agenda was then shown on the screen for the stockholders' information: Appointment of SGV& Co. as the external auditor of the Corporation *Yes: 99.96% No: 0% Abstain 0%*.

After hearing no objections, the following resolution was unanimously approved by the stockholders holding 99.96% of the Company's total issued and outstanding shares present:

"RESOLVED, That Sycip Gorres Velayo & Co. be appointed as the External Auditor of the Company for FY2022."


XI. ADJOURNMENT

There being no more items to discuss, the meeting was adjourned at 10:30 a.m.

Prepared By:


ANNA TERESA M. GOZON-VALDES
Corporate Secretary

Attested By:


FELIPE L. GOZON
Chairman of the Meeting

SUBJECT TO APPROVAL AT THE NEXT STOCKHOLDERS' MEETING