

ANNUAL MEETING OF THE STOCKHOLDERS OF  
**GMA HOLDINGS, INC.**

July 24, 2020

via Remote Communication using Zoom Application

**PRESENT:**

Stockholders	Percentage of Shares
Felipe L. Gozon	33.3%
Gilberto R. Duavit, Jr.	33.3%
Joel Marcelo G. Jimenez	33.3%
Dr. Jaime C. Laya	.0%
Chief Justice Artemio V. Panganiban	.0%

**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  
Ronaldo P. Mastrili  
Joan C. Rumbaoa  
Eduardo P. Santos  
Felipe S. Yalong

**Representatives from SGV & Co. (External Auditor):**

Belinda T. Beng Hui  
Crystal Aleli R. Cornell  
Ramon Dizon

**I. CALL TO ORDER**

The Chairman of the meeting, Felipe L. Gozon, called the meeting to order at 10:00 a.m. Atty. Anna Tersa 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 Corporate Secretary reported that the notices of the meeting were duly sent to all the stockholders in accordance with the By-Laws of the Company and that 99.99% of the total issued and outstanding common stock were present. 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.

## **III. APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS MEETING HELD ON AUGUST 9, 2019**

The Chairman stated that the first item in the order of business was the approval of the minutes of the Annual Stockholders' Meeting held on August 9, 2019.

Upon motion duly made and seconded, the following resolution was unanimously approved by the stockholders holding 99.9% of the Company's total issued and outstanding shares present:

"RESOLVED, That the Minutes of the Annual  
Stockholders Meeting held on August 9, 2019 are  
hereby APPROVED."

## **IV. REPORT OF THE PRESIDENT**

The President and Chief Executive Officer, Mr. Gilberto R. Duavit, Jr. turned the floor over to Mr. Ronaldo M. Mastrili, the Company's Comptroller, who proceeded to read the President's Report as follows:

The Philippine's Gross Domestic Product (GDP) posted a 5.9 percent full-year growth for 2019 which was mainly driven by Trade and Repair of Motor Vehicles, Motorcycles, Personal and Household Goods; Manufacturing; and Construction. This was, however, moderately slower when compared to the 6.2 percent growth in 2018 and missed the government's 2019 target of 6.0 percent to 6.5 percent. Growth was much slower than expected especially during the first half of the year due to the delayed passage of the 2019 budget, despite increased government spending in latter part of the year.

The benchmark Philippine Stock Exchange index went up by 5 percent to close at 7,815.26 from end-2018 level of 7,466.02. In comparison, the U.S. Dow Jones Industrial Index went up by 22 percent from previous year.

GMA's PDR slightly dropped by only 1% to P5.30 per PDR at the close of year 2019 coming from P5.36 per PDR as at end-2018.

GMA common share likewise experienced a decline in value from P5.44 per share to P5.33 per share or down by 2% as at December 31, 2019.

A total of 6,182,200 PDRs were converted into common shares (GMA7) this year versus 38,392,800 PDRs converted last year.

The total number of PDRs converted since IPO was 217,766,900 shares bringing down the PDR balance as at end-2019 to 727,665,100 from the original issued PDRs of 945,432,000 in 2007.

Director Chief Justice Panganiban asked how much the present market value of the Company's PDR is to which Mr. Mastrili replied that it is at Php 5.30 per PDR.

There was an increase in interest income by P382 thousand or 19% from P2.00 million in 2018 to P2.38 million in 2019 as a result of higher interest earned from short-term deposits. However, due to the considerable drop in PDR conversions this year, exercise fees generated amounting to P276 thousand ended 84% lower than 2018's P1.71 million. Thus, total revenues decreased by 28% or P1.06 million to P2.66 million in 2019 versus P3.71 million in 2018.

Upon inquiry from Chief Justice Panganiban regarding the holders entitled to convert PDRs to common shares, the CFO commented that a foreigner cannot convert PDRs to common shares.

Operating expenses in 2019 likewise ended lower by 6% at P948 thousand as compared to P1.01 million posted in 2018, on account of decreases in listing fees and taxes. Listing fees declined by 13% from P454 thousand in 2018 to P393 thousand in 2019 due to lower market cap. Nonetheless, as the drop in the top line was greater than the reduction in total OPEX, the Company ended the year with a net income after tax of P1.29 million, lower by P983 thousand or 43% from the P2.27 million bottom line posted the previous year.

By the end of 2019, total assets stood at P49.67 million or 2% higher than last year's P48.85 million. Liabilities inched up by less than 1% at P48.02 million versus last year's P47.72 million.

The Chairman asked what constitute the liabilities due to the shareholders, the Company's Comptroller explained that it represents the .5 centavo per share option price during the IPO which was retained by the Company to take care of the expenses of the Company.

On June 09, 2020 (as subsequently ratified on June 15, 2020), GMA Holdings approved the cash distribution to PDR holders in the amount of P0.30 per share. These were remitted to the PDR holders on July 16, 2020.

On April 13, 2020, management approved the cash dividend declaration of P1.30 million which was paid to GMA Holdings stockholders on June 02, 2020.

## Commitment to Good Governance

The Company continues to fulfill its commitment to provide quality financial reporting, to adopt best standards of good governance, to comply with our statutory reporting requirements as a listed company, and to support initiatives of GMA Network in improving the market value of its stocks.

In closing, the President/CEO thanked the Board of Directors and GMA Holdings officers for their continued counsel and unselfish support during the year that passed.

The Chairman clarified the following:

1. GMA Holdings, Inc. is owned 100% by Filipino citizens;
2. GMA Network, Inc. has no shareholdings whatsoever in GMA Holdings, Inc.;
3. The PDR holders have absolutely nothing to do with the affairs of GMA Network. In addition they have nothing to do with the affairs of GMA Holdings, Inc.. There is no other Company besides GMA Holdings that holds the underlying GMA shares and issued the PDRs.

The Chairman asked if the stockholders had any questions.

After some discussions, a stockholder moved that the President/CEO's Annual Report together with the financial statements for the period ending December 31, 2019 be noted and approved. Another stockholder seconded. There being no objection, the following resolution was therefore adopted by the stockholders holding 99.9% 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, 2019 be, as they are, hereby NOTED and APPROVED."

## V. RATIFICATION OF THE ACTS OF THE BOARD FOR THE PREVIOUS YEAR

The Chairman stated that the next item on the agenda was the ratification of the acts of the Board of Directors and Officers for the previous year. The Chairman asked the Corporate Secretary to explain the nature of the acts to be ratified.

The President explained that the acts of the Board of Directors were all conducted in the ordinary course of business and were reflected in the minutes of the meetings of the Board of Directors.

After motion duly made and seconded, the following resolution was unanimously approved by the stockholders holding 99.9% of the Company's total issued and outstanding shares present:

"RESOLVED, That the Sycip Gorres Velayo & Co. be appointed as the External Auditor of the Company for FY2020."

#### **VIII. APPROVAL OF PER DIEM IN FAVOR OF DIRECTORS/OFFICERS**

The Chairman stated that there is a proposal to give per diem to the Directors and Officers. The Company's Comptroller Mr. Mastrili's stated that upon the recommendation of the Company's Compensation and Remuneration Committee, the proposed per diem in favor of the Company's directors and officers is Php 5,000.00.

After motion duly made and seconded, the following resolution was unanimously approved by the stockholders holding 99.9% of the Company's total issued and outstanding shares present:

"RESOLVED, That the Corporation's Directors and Officers shall receive a per diem in the amount of Php 5,000.00 each.

#### **THEREAFTER THE CORPORATE SECRETARY ANNOUNCED THE RESULTS OF THE VOTING FOR EACH ITEM IN THE AGENDA:**

Matter	Yes	No	Abstain
1. Approval of the Minutes of the last Annual Stockholders' Meeting	99.9%	0.0%	0.0%
2. Approval of the Report of the President;	99.9%	0.0%	0.0%
3. Ratification of the Acts of the Board of Directors from August 9, 2019 up to the present	99.9%	0.0%	0.0%
4. Election of Directors:			
Atty. Felipe L. Gozon	99.9%	0.00%	0.00%

After hearing no objections, and after motion duly made and seconded, the following resolution was unanimously approved by the stockholders holding 99.9% of the Company's total issued and outstanding shares present:

"RESOLVED, That the acts of the Board of Directors and Officers of the Company from the date of the last annual stockholders' meeting on August 9, 2019 up to the present are hereby RATIFIED and APPROVED."

## VI. 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. The Corporate Secretary reported that the following were nominated and approved by the Nomination Committee:

FELIPE L. GOZON  
GILBERTO R. DUAVIT, JR.  
JOEL MARCELO G. JIMENEZ  
DR. JAIME C. LAYA (*Independent Director*)  
CHIEF JUSTICE ARTEMIO V. PANGANIBAN (*Independent Director*)

The President stated that the current Directors have been recommended by the Company's Nomination Committee for re-election on the basis of the nominated directors' proven track record as shown by the results of the Company's performance and after review of their qualifications.

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 2020-2021, until their successors shall have been duly elected, by the stockholders holding 99.9% of the Company's total issued and outstanding shares present and represented:

FELIPE L. GOZON  
GILBERTO R. DUAVIT, JR.  
JOEL MARCELO G. JIMENEZ  
DR. JAIME C. LAYA (*Independent Director*)  
CHIEF JUSTICE ARTEMIO V. PANGANIBAN (*Independent Director*)

## VII. APPOINTMENT OF EXTERNAL AUDITOR

The Chairman stated that the next item on the agenda was the appointment of an external auditor.

Dr. Laya, the Chairman of the Audit Committee, explained that the Committee and the Chairman reviewed the performance and the proposed fees of the current external auditors and recommended that Sycip Gorres Velayo & Co. be re-appointed as the Company's External Auditor for FY2020.

Gilberto R. Duavit, Jr.	99.9%	0.00%	0.00%
Joel Marcelo G. Jimenez	99.9%	0.00%	0.00%
Chief Justice Artemio V. Panganiban (Independent Directors)	99.9%	0.00%	0.00%
Dr. Jaime C. Laya (Independent Director)	99.9%	0.00%	0.00%
5. Election of Sycip Gorres Velayo & Co. as external Auditor	99.9%	0.00%	0.00%
6. Approval of Per Diem for the Company's Directors and Officers of Php 5,000.00 each.	99.9%	0.00%	0.00%


## IX. ADJOURNMENT

There being no more items to discuss, the meeting was adjourned at 11:30 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



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

### SECRETARY'S CERTIFICATE

I, **ANNA TERESA M. GOZON-VALDES**, of legal age, Filipino, with office address at GMA Network Center, EDSA corner Timog Avenue, Diliman, Quezon City, after having been duly sworn, hereby depose and say:

1. I am the Corporate Secretary of **GMA HOLDINGS, INC.** (the "Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines with office address at Unit 5D Tower One, One McKinley Place, New Bonifacio Global City, Fort Bonifacio, Taguig City;

2. In connection with the Corporation's Annual Stockholders' Meeting held last July 24, 2020, and in compliance with the Revised Corporation Code and SEC Memorandum Circular No. 6, series of 2020, I hereby certify the following:

(a) In a meeting dated June 9, 2020, the Board of Directors unanimously resolved to approve the conduct of the participation in the 2020 Annual Stockholders' Meeting via remote communication using Zoom application as set forth in Annex "A" hereof. The Board of Directors further resolved that the Chairman and the President of the Corporation are authorized to decide upon the rules/procedure for the holding of the stockholders' meeting via remote communication. The said procedure for the conduct of the 2020 Annual Stockholders' Meeting via remote communication was set out in the Notice to be sent to the stockholders of record and in the Information Statement.

(b) Prior to the meeting, the following stockholders manifested their intention to participate in the Corporation's Annual Stockholders' Meeting held last July 17, 2020 via remote connection:

- 1). Felipe L. Gozon
- 2). Gilberto R. Duavit, Jr.
- 3). Joel Marcelo G. Jimenez
- 4). Artemio V. Panganiban
- 5). Jaime C. Laya
- 6). Felipe S. Yalong




IN WITNESS WHEREOF, I have hereunto set my hand this 3<sup>rd</sup> day of August 2020 at Makati City.

  
**ANNA TERESA M. GOZON-VALDES**  
 Corporate Secretary

SUBSCRIBED AND SWORN to before me this 3<sup>rd</sup> day of August 2020 affiant exhibiting to me her Social Security System Identification No. 33-2709000-4.

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**RUBEN T.M. RAMIREZ**  
 Notary Public for Makati City  
 Until December 31, 2021  
 2086 E. Pasena St., Makati City  
 IBP O.R. No. 097071/December 10 2019  
 Roll No. 28947/MCLE No. VI-0020246  
 PTR No. MKT 8117044/I-02-2020  
 Appointment No. M-158

**2020 Annual Stockholders' Meeting  
GMA Holdings, Inc.**

**Procedure for: (1) Registration, Participation and Attendance in the GMA Holdings, Inc.'s  
Annual Stockholders' Meeting 2020 by Remote Communication**

**In light of the COVID-19 Pandemic, there will be no physical meeting. The Company's 2020 Annual Stockholders' Meeting will be conducted via remote communication through the Zoom application.**

***Privacy Notice***

Herein information of individual stockholders will be collected, stored, and used exclusively for the purposes of the Company's 2020 Stockholders meeting. In submitting the requested information, the participants are thereby giving their data privacy consent to the Company. The Company processes such information in accordance with the Data Privacy Act of 2012 and its Implementing Rules and Regulations, and adopts reasonable physical and technical security measures to safeguard the same. The Company's Privacy Policy may be accessed in the website (<http://www.gmanetwork.com/privacypolicy>).

**I. Registration to participate/attend at the meeting or vote in absentia**

- 1.) Participants must have or must create a free personal Zoom account.
- 2.) Stockholders who wish to attend and participate at the meeting by remote communication or vote in absentia shall notify the Corporate Secretary of his or her intention.
- 3.) Upon validation, the stockholder will receive an email with the link and the password for the meeting.

Registration shall run until **July 23, 2020**.

- 4.) Stockholders may send questions any time before the meeting to the following email address [gmcawile@bgepal.com](mailto:gmcawile@bgepal.com);

**II. Procedure before the GHI Annual Stockholders' Meeting 2020**

- 1.) The participant will log into Zoom using the registered account;
- 2.) The participant will click on the meeting link and enter the password for the meeting;
- 3.) The participant will choose/confirm the meeting title: "GMA Holdings, Inc. Annual Stockholders' Meeting 2020";
- 4.) The participant will wait for him/her to be admitted by the Host to the meeting;
- 5.) The participant will wait for the Host to start the meeting.

**III. Procedure during the GHI Annual Stockholders' Meeting 2020**

- 1.) The members of the Company's Board of Directors and the Corporate Secretary will be the panelists for the meeting.
- 2.) Each of the proposed resolutions and/or items in the Agenda will be shown on the screen while such resolution or item is passed during the meeting.
- 3.) During the meeting, the attendees of the meeting can participate by asking questions or providing comments.

**IV. Procedure for Voting During the Meeting**

- 1.) Voting for matters to be submitted for approval including the election of directors shall be made in person via remote communication or by proxy.
- 2.) Voting shall be done by yeas or nays during the meeting.
- 3.) 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.
- 4.) Directors will be elected by plurality of votes and every stockholder will be entitled to cumulate his votes. In the absence of any specific instruction from the stockholder on the manner by which he or she shall wish to cumulate his or her votes among his or her preferred nominee/s, the votes of such stockholder shall be cast equally among the names of the nominees voted by him or her.
- 5.) The Corporate Secretary together with the Proxy Verification Committee will tabulate all votes received on every matter stated in the agenda.
- 6.) The Corporate Secretary shall report the results of voting during the meeting.

**V. After the Meeting**

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- 1.) The recording of the meeting will be available online ten (10) days after the meeting, and the recording shall be available for access by GHI's stockholders within thirty (30) days from posting date. Any stockholder of GHI who wishes to access the recording of the 2020 Annual Stockholders' Meeting shall send his or her request therefor to [gmcawile@bgepal.com](mailto:gmcawile@bgepal.com). Upon receipt of the stockholder's request and upon proper validation, the website link for such recording will be sent via email to the stockholder.
  - 2.) Stockholders shall have two weeks from posting of the recording of the meeting to inform GHI of any issues, clarifications and concerns on the matters arising from the meeting conducted.
-