

**MINUTES OF THE
JOINT ANNUAL MEETING OF THE STOCKHOLDERS
AND ORGANIZATIONAL MEETING OF THE BOARD OF DIRECTORS OF
GMA HOLDINGS, INC.**

**Held at Balducci Restaurant, G/F Serendra, Bonifacio Global City,
Fort Bonifacio, Taguig City
On 18 August 2017**

STOCKHOLDERS PRESENT IN PERSON OR BY PROXY:

<u>Stockholders</u>	<u>No. of Shares</u>
Felipe L. Gozon	3,330
Gilberto R. Duavit, Jr.	3,330
Joel Marcelo G. Jimenez	3,330
Artemio V. Panganiban	4
Jaime C. Laya	1
TOTAL	<u>9,995</u>

PRESENT DIRECTORS:

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

ALSO PRESENT:

Anna-Teresa M. Gozon - Corporate Secretary
Eduardo P. Santos
Ronaldo P. Mastrili
Roy G. Sanico
Rico Fortich
Mariecris N. Barbaso
Ramon Dizon
Yvonne Angeli Lee-Tupas

I. CALL TO ORDER

The Chairman, Atty. Felipe L. Gozon, called the joint annual meeting of the stockholders and organizational meeting of the Board of Directors to order at 10:23 a.m.. The Corporate Secretary, Atty. Anna-Teresa M. Gozon, and Atty. Yvonne Angeli Lee-Tupas, recorded the minutes of the meeting.

II. CERTIFICATION OF NOTICE AND QUORUM

The Corporate Secretary confirmed that notices were sent to all the stockholders and directors in accordance with the by-laws of the Corporation. Since stockholders representing 99.95% of the Corporation's issued and outstanding capital stock was present in person and that since all of the members of the Board of Directors were

present, the Corporate Secretary likewise confirmed that a quorum existed for the transaction of business.

III. APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING HELD ON 30 SEPTEMBER 2016

The Chairman announced that the first matter on the agenda was the approval of the minutes of the annual meeting of the stockholders held on 30 September 2016. After a reading of the minutes and upon motion duly made and seconded, the following resolution was approved and adopted:

“RESOLVED, That the minutes of the annual meeting of the stockholders dated 30 September 2016 is hereby APPROVED.”

IV. APPROVAL OF THE MINUTES OF THE ORGANIZATIONAL MEETING OF THE BOARD OF DIRECTORS HELD ON 30 SEPTEMBER 2016

The Board then considered the minutes of the organizational meeting of the Board of Directors dated 30 September 2016. After some discussions, and upon motion duly made and seconded, the following resolution was approved and adopted:

“RESOLVED, That the minutes of the meeting of the Board of Directors dated 30 September 2016 is hereby APPROVED.”

V. REPORT OF THE PRESIDENT

Before the President, Mr. Gilberto R. Duavit, Jr., began his report, the Chairman remarked that a lot of the Philippine Depositary Receipts (PDRs) held by the Corporation have now been converted because of the price differential. Mr. Duavit turned the floor over to Mr. Ronaldo M. Mastrili who proceeded to read the President's Report, as follows:

The Philippine economy grew 6.8 percent in 2016 riding on the upsurge in election spending during the first half and the growth in Services and Industry sectors in the latter part of the year. This is higher than the 5.8 percent posted in 2015.

The benchmark Philippine Stock Exchange index, however, retreated by 1.6 percent to close at 6,840.64 from end-2015 level of 6,952.08. This is the second straight year that the index closed lower from year-ago levels.

Meanwhile, GMA's PDRs gained 7 percent to Php7.22 at the close of year 2016 coming from Php6.75 as at end 2015.

The performance of PDRs is identical in terms of growth of 7%, to that of GMA Common.

A total of 11,387,000 PDR shares were converted into common shares (GMA7) this year versus 1,995,900 PDR shares converted last year.

The total number of PDRs converted since IPO is 110,469,900 shares.

This year's PDR conversions generated exercise fees of Php508 thousand in 2016 or 5 times than P89 thousand in 2015. Thus, total revenues increased 17% or P363 thousand to P2.51 million in 2016 vs. 2015 level in spite of a slight decline in interest

income from P2.05 million in 2015 to P1.99 million in 2016 as a result of lower interest earned from short-term deposits.

Operating expenses in 2016 ended lower at P1.06 million as compared to P1.09 million posted in 2015 on account of lower professional fees of P383 thousand versus P475 thousand in 2015. On the other hand, listing fees amounted to P614 thousand which increased 7% from previous year due to higher market cap. With higher revenues, the Company ended the year with a net income after tax of P1.032 million or 63% higher than the P635 thousand posted the previous year.

Total assets stood at P48.71 million or 1% higher than last year's P48.22 million. Liabilities remain almost unchanged at P47.68 million.

Last May 16, 2017, GMA Holdings was able to distribute cash dividends at the same rate as GMA's at P0.73 per share to PDR holders undiminished by the operational expenses which were fully covered by our generated revenues. On the other hand, management approved on March 27, 2017, the cash dividend declaration of P1 million which was paid to stockholders last May 22, 2017.

Commitment to Good Governance

We continue to fulfill our 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.

After hearing no objections, and upon motion duly made and seconded, the following resolution was unanimously approved:

“RESOLVED, That the President's Report for the year 2016 is hereby NOTED and APPROVED.”

VI. RATIFICATION OF THE ACTS OF THE BOARD OF DIRECTORS 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 Corporate Secretary 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 hearing no objections, and upon motion duly made and seconded, the following resolution was unanimously approved:

“RESOLVED, That the acts of the Board of Directors and Officers of the Corporation from the date of the last annual stockholders' meeting on 30 September 2016 up to the present are hereby RATIFIED and APPROVED.”

VII. ELECTION OF THE MEMBERS OF THE BOARD OF DIRECTORS

The Chairman stated that the next item on the agenda was the election of 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
JAIME C. LAYA (Independent Director)
ARTEMIO V. PANGANIBAN (Independent Director)

Upon motion made and seconded, the following were unanimously declared elected as members of the Board of Directors for the ensuing year until their successors shall have been duly elected:

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

VIII. APPOINTMENT OF EXTERNAL AUDITOR

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

After motion duly made and seconded, the following resolution was unanimously approved:

“RESOLVED, That the accounting firm of SYCIP GORRES VELAYO & CO. is hereby re-appointed as the external auditor of the Corporation.”

IX. APPOINTMENT OF THE MEMBERS OF THE SPECIAL COMMITTEES

The Chairman stated that the next item on the agenda was the appointment of members to the various committees.

After some discussion, and upon motion duly made and seconded, the following were unanimously appointed as members of the following Committees:

Nomination Committee

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

Compensation and Remuneration Committee

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

Audit Committee

Jaime C. Laya
Gilberto R. Duavit, Jr.
Artemio V. Panganiban

The members of the respective committees conferred briefly and elected the following as their respective officers:

Nomination Committee

Felipe L. Gozon (Chairman)

Compensation and Remuneration Committee

Gilberto R. Duavit, Jr. (Chairman)

Audit Committee

Jaime C. Laya (Chairman)

X. ELECTION OF OFFICERS

The Chairman stated that the next item on the agenda was the election of the Corporation's officers. The directors recommended keeping the current set of officers. After some discussion, and upon motion duly made and seconded, the following resolution was unanimously approved:

“RESOLVED, That the following are hereby elected to the positions indicated opposite their names:

Felipe L. Gozon	-	Chairman
Gilberto R. Duavit, Jr.	-	President & Chief Executive Officer
Felipe S. Yalong	-	Treasurer/COO/CFO
Anna-Teresa M. Gozon	-	Corporate Secretary
Ronaldo P. Mastrili	-	Comptroller
Roberto Rafael V. Lucila	-	Compliance Officer”

XI. APPOINTMENT OF EXTERNAL COUNSEL

The Chairman stated that the next item on the agenda was the appointment of the external counsel of the Corporation. The directors moved to retain the Corporation's external counsel for the ensuing year.

The following resolution was unanimously approved:

“RESOLVED, That the law firm of BELO GOZON ELMA PAREL ASUNCION & LUCILA is hereby retained as the Corporation's external counsel.”

XII. OTHER MATTERS

A. Adoption of a Manual on Corporate Governance

The Chairman briefly discussed the matter of the adoption of the Corporation's Manual on Corporate Governance to comply with Securities and Exchange Commission (SEC) Memorandum Circular No. 19, Series of 2016. He suggested for the Corporation to simply adopt GMA7's Manual on Corporate Governance, as revised in 2017. Atty. Ed Santos commented that not all of the provisions of the GMA7's Manual on Corporate Governance are applicable to the Corporation. The Chairman instructed Atty. Santos to take out the provisions that are not applicable and to include only those that are applicable, and to have the draft reviewed by the Board of Directors.

XIII. ADJOURNMENT

There being no other matters to discuss, the meeting was thereupon adjourned at 11:09 a.m..

Prepared by:


ANNA-TERESA M. GOZON
Corporate Secretary

Attested by:


FELIPE L. GOZON
Chairman