

MINUTES OF THE ANNUAL MEETING
OF THE
STOCKHOLDERS
OF
DITO CME HOLDINGS CORP. (Formerly: ISM Communications Corporation)
Held on 28 July 2020
at 11:00 a.m.
Via videoconferencing

STOCKHOLDERS PRESENT

Dennis A. Uy
Cherylyn C. Uy
Eric O. Recto (representing Monfortino Holdings Inc.)
Eric O. Recto
Raouf A. Kizilbash
Adel A. Tamano
Joseph John L. Ong
Ernesto R. Alberto
Francis C. Chua
Gregorio T. Yu
Donald Patrick Lim
Ignacio Ortigas
Rafael B. Ortigas
Alexis Carlo G. Magsumbol (representing Dennison Holdings Corporation)
Others (representing PCD Nominee Corp.)

Total No. of Shares Present/Represented
Total No. of Shares Issued and Outstanding

ALSO PRESENT:

Leandro E. Abarquez
Leo D. Venezuela

PROCEEDINGS

I. CALL TO ORDER

The meeting began with a prayer led by the Corporation's Investment Relations Officer, Mr. Leo D. Venezuela, which was followed by the singing of the Philippine National Anthem. The Chairman of the Corporation, Mr. Dennis A. Uy, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Leandro E. Abarquez, recorded the minutes of the meeting.

II. CERTIFICATION OF NOTICE AND QUORUM

Atty. Abarquez certified that notice of the annual meeting of stockholders had been sent to the Corporation's stockholders on record as of 6 July 2020 in compliance with the rules issued by the Securities and Exchange Commission. He certified that a majority of the stockholders were present or represented in the meeting, and that there was therefore a quorum to transact business.

III. APPROVAL OF THE MINUTES OF THE 10 DECEMBER 2019 STOCKHOLDERS' MEETING

Mr. Uy announced that the first item on the agenda was the approval of the minutes of the annual stockholders' meeting held last 10 December 2019. Considering that a copy of the minutes was posted in the Corporation's website, it was moved that the reading of the minutes of the last annual stockholders' meeting be dispensed with and be approved as presented.

Based on the motion made and seconded and there being no objections, the approval of the minutes of 10 December 2019 annual stockholders' meeting was approved by the stockholders.

IV. MANAGEMENT REPORT

The Corporation's Chief Operating Officer (COO), Mr. Donald Patrick Lim, delivered the management report which presented the Corporation's current status and discussed the future plans for the Corporation.

V. APPROVAL OF THE AUDITED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2019

Mr. Uy announced that the next item in the agenda was the approval of the Corporation's audited financial statements as of 31 December 2019. He stated that copies of the financial statements were integrated in the Information Statement previously made available to the stockholders.

Upon motion made and seconded, there being no objections, the stockholders approved the audited financial statements of the Corporation as of 31 December 2019.

VI. RATIFICATION OF ALL ACTS OF THE BOARD OF DIRECTORS, BOARD COMMITTEES, AND MANAGEMENT SINCE THE LAST ANNUAL STOCKHOLDERS' MEETING HELD ON 10 DECEMBER 2019

Mr. Uy stated that the next item on the agenda is the ratification of all the acts of the Board of Directors, the Board Committees, and the Management during their term. He stated that those actions are covered in the Annual Report and various disclosures to the Securities and Exchange Commission and the Philippine Stock Exchange.

Upon motion duly made and seconded, there being no objections, the stockholders ratified and approved all acts of the Corporation's board of directors, board committees, and management during their term.

VII. AMENDMENT OF THE ARTICLES OF INCORPORATION OF THE CORPORATION

Mr. Uy stated that the next item on the agenda is the amendment of the Articles of Incorporation of the Corporation. According to him, the following are the amendments to be voted on by the stockholders of the Corporation:

a. To increase the authorized capital stock of the Corporation from Two Billion Eight Hundred Million Pesos (PhP2,800,000,000.00) divided into Two Billion Eight Hundred Million (2,800,000,000) common shares with a par value of One Peso (PhP1.00) per share to up to Forty Billion Pesos (PhP40,000,000,000.00) divided into Forty Billion (40,000,000,000) common shares with a par value of One Peso (PhP1.00) per share.

b. To amend the Corporation's term from 50 years to perpetuity.

It was explained that the approval of the stockholders for the increase in authorized capital stock was previously obtained last 10 December 2019. However, approval was sought anew since the Revised Corporation Code requires to Corporation to file the application with the SEC within 6 months from shareholders' approval.

Upon motion duly made and seconded, there being no objections, the stockholders approved the amendments to the Corporation's Articles of Incorporation, namely: (a) increase the authorized capital stock of the Corporation from Two Billion Eight Hundred Million Pesos (PhP2,800,000,000.00) divided into Two Billion Eight Hundred Million (2,800,000,000) common shares with a par value of One Peso (PhP1.00) per share to up to Forty Billion Pesos (PhP40,000,000,000.00) divided into Forty Billion (40,000,000,000) common shares with a par value of One Peso (PhP1.00) per share, and (b) amend the Corporation's term from 50 years to perpetuity.

VIII. APPROVAL OF THE GRANT OF AUTHORITY TO THE BOARD OF DIRECTORS TO ISSUE SUCH NUMBER OF SHARES OF STOCK OUT OF THE INCREASE IN AUTHORIZED CAPITAL STOCK AT AN ISSUE PRICE OF NOT LESS THAN THE PAR VALUE AS THE BOARD OF DIRECTORS MAY DETERMINE AND TO ACCEPT CASH OR NON-CASH PROPERTIES AS PAYMENT FOR SUCH SUBSCRIPTION AND THE LISTING OF SUCH SHARES WITH THE PHILIPPINE STOCK EXCHANGE

The next item on the agenda was the approval of the grant of authority to the Board of Directors to issue such number of shares of stock out of the existing capital stock and increase in authorized capital stock, at an issue price of not less than par value as the Board of Directors may determine, and to accept cash or non-cash properties as payment for such subscription, and the listing of such shares with the Philippine Stock Exchange.

Upon motion duly made and seconded, there being no objections, the stockholders approved the grant of authority to the Corporation's Board of Directors to issue such number of shares out of the existing capital stock and increase in authorized capital stock at an issue price determined by the Board of Directors but not less than the par value, to accept cash or non-cash properties as payment for such subscription, and to list such shares with the Philippine Stock Exchange.

In relation to this, Mr. Uy stated that Part A Article V of the PSE Revised Listing Rules requires that a rights or public offering is required to be undertaken before the PSE to allow the listing of shares subscribed by any party or to parties acting in concert amounting to at least 10%. However, the requirement to conduct a rights or public offering of the shares subscribed may be waived by a majority vote representing the outstanding shares held by the minority stockholders present or represented in the meeting. The Corporation, through its Chairman, then sought for such waiver from among the minority stockholders present.

Upon motion of one of the minority stockholders duly made and seconded, there being no objections from any of the minority stockholders, the minority stockholders approved the waiver of Part A, Article V of the PSE Revised Listing Rules in connection with the listing of the shares issued pursuant to the increase in authorized capital stock of the Corporation.

IX. APPROVAL OF THE ISSUANCE OF SHARES PURSUANT TO AN EQUITY OFFERING, PRIVATE PLACEMENT, OR SIMILAR TRANSACTION TO BE DETERMINED BY THE BOARD AND THE LISTING OF SUCH SHARES

The next item on the agenda was the grant of authority to the Board of Directors to conduct an equity offering, private placement or similar transaction under such terms and conditions as it may determine and for the approval of the listing of the shares offered under the said transaction.

Upon motion duly made and seconded, there being no objections, all minority shareholders affirmatively voted on the waiver of Part A Article V of the PSE Revised Listing Rules in connection with the listing of the shares issued pursuant to the increase in authorized capital stock of the Corporation.

X. ELECTION OF THE BOARD OF DIRECTORS FOR 2019

Mr. Uy informed the stockholders present that the table was open for nomination of the directors of the Corporation. Thereupon, the following were nominated to be the directors of the Corporation:

DENNIS A. UY
CHERYLYN C. UY
ERIC O. RECTO
RAOUF A. KIZILBASH
ADEL A. TAMANO
JOSEPH JOHN L. ONG
ERNESTO R. ALBERTO - INDEPENDENT DIRECTOR
GREGORIO T. YU - INDEPENDENT DIRECTOR
FRANCIS CHUA - INDEPENDENT DIRECTOR

After the nomination of the above named persons, and upon motion made, seconded and unanimously carried, the nominations were closed and the above named persons were declared elected as members of the Board of Directors of the Corporation until the next election of directors or until their successors shall have been duly elected and qualified.

XI. APPOINTMENT OF EXTERNAL AUDITOR

The next item on the agenda was the reappointment of the external auditor for the year 2019. Based on the votes, the stockholders approved the appointment of the firm of Punongbayan & Araullo as the external auditor of the Corporation for the year ending 31 December 2020.

XII. OTHER MATTERS

The Chairman opened the floor for stockholders to bring up any concerns or questions regarding the Corporation.

A stockholder asked regarding the connection between Dito CME Holdings Corp. and the third telco, Dito Telecommunity and who is holding the franchise between the two. To this question, the COO replied that DITO CME is intended to indirectly hold the shareholdings of the Udenna Group in Dito Telecommunity once the necessary governmental approvals are obtained and the appropriate transfer documents are executed. Dito Telecommunity Corporation (previously Mislattel), will still be the holder of the franchise.

Meanwhile, another stockholder inquired why approval is being sought again for the increase in the authorized capital stock. Mr. Lim answered that the increase in authorized capital stock in the July 28, 2020 agenda is the same increase that was approved in December 2019. This is requested anew since the Revised Corporation Code provides a period of 6-months for the shareholders approval, unless there are meritorious circumstances to extend such approval. Further, to ensure that the Corporation has sufficient capital stock in order to successfully inject the interest in Dito Telecommunity, the increase was therefore requested anew.

XV. ADJOURNMENT

There being no other matters to discuss, the meeting was, on motion made and seconded, adjourned.

Certified correct:

LEANDRO E. ABARQUEZ
Corporate Secretary

MINUTES READ AND APPROVED:

DENNIS A. UY
Chairman and President

CHERYLYN C. UY
Director

ERIC O. RECTO
Director

JOSEPH JOHN L. ONG
Director

ADEL A. TAMANO
Director

RAOUF A. KIZILBASH
Director

ERNESTO R. ALBERTO
Independent Director

GREGORIO T. YU
Independent Director

FRANCIS CHUA
Independent Director