

## SECURITIES AND EXCHANGE COMMISSION

### SEC FORM 17-C

#### CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report (Date of earliest event reported)  
Nov 13, 2020
2. SEC Identification Number  
808
3. BIR Tax Identification No.  
000-162-935
4. Exact name of issuer as specified in its charter  
DITO CME HOLDINGS CORP.
5. Province, country or other jurisdiction of incorporation  
Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office  
21st Floor Udenna Tower, Rizal Drive corner 4th Avenue, Bonifacio Global City, Taguig  
City  
Postal Code  
1634
8. Issuer's telephone number, including area code  
63284034007
9. Former name or former address, if changed since last report  
ISM Communications Corporation; 3F Alegria Alta Building, 2294 Chino Roces Ave.,  
Makati City 1232
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	2,800,000,000
11. Indicate the item numbers reported herein  
Item 9

*The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.*

# DITO CME Holdings Corp.

## DITO

### PSE Disclosure Form BL-1 - Comprehensive Corporate Disclosure on Backdoor Listing *Reference: Rules on Backdoor Listing*

#### Subject of the Disclosure

Comprehensive Corporate Disclosure regarding the acquisition of 100% of the shares of Udenna Communications Media and Entertainment Holdings Corp. ("UCME") in exchange for the issuance of 11,200,000,000 common shares of Dito CME Holdings Corp. ("Dito CME") in favor of Udenna Corporation ("Udenna").

#### Background/Description of the Disclosure

Further to the Company's disclosures dated 10 November 2020 (C07857-2020), 11 November 2020 (C07888-2020), and 13 November 2020 (C07949-2020), the Company wishes to update the Exchange and the investing public that the definitive documents pertaining to the transfer by Chelsea Logistics and Infrastructure Holdings Corp. ("Chelsea") and Udenna Corporation ("Udenna") of their combined 60% share ownership in Dito Telecommunity Corporation ("Dito Tel") to Dito Holdings Corporation (the "Restructuring") were executed on 11 November 2020.

In addition, the Share-Swap Transaction between Udenna and Dito CME, wherein Dito CME shall acquire 100% of the issued and outstanding capital stock of UCME in exchange for the issuance of 11,200,000,000 new shares of Dito CME to Udenna Corporation, which will be taken from an increase in its authorized capital stock (the "Share-Swap Transaction"), was also executed on 11 November 2020. The final issue price by Dito CME is Php 6.11 per share for a total issue consideration of Php 68,432,000,000.00.

As previously disclosed, the Share-Swap Transaction, the increase in authorized capital stock, and the issuance of 11,200,000,000 shares to Udenna will be subject to the approval of the Securities and Exchange Commission and, if necessary, with the Philippine Competition Commission ("PCC"). We shall promptly update the Exchange once approval is obtained.

<b>Date of Approval by Board of Directors</b>	Nov 9, 2020
<b>Date of Approval by Stockholders</b>	Dec 10, 2019
<b>Other Relevant Regulatory Agency, if applicable</b>	Approval by the NTC for Restructuring issued on 25 September 2020; Approval of the PCC
<b>Date of Approval by Relevant Regulatory Agency</b>	TBA
<b>Date of Approval by Securities and Exchange Commission, if applicable</b>	TBA

**Comprehensive Corporate Disclosure****The nature and description of the proposed transaction, including the timetable for implementation, and related regulatory requirements if applicable**

The transaction is the acquisition by the Company of all the equity interests of Udenna in Udenna CME, which amounts to 10,000,000 issued and outstanding common shares with a par value of Php1.00 per share (the "Sale Shares"). In consideration for the Sale Shares, Dito CME shall issue 11,200,000,000 of its common shares to Udenna, which will be issued out of the increase of its authorized capital stock at the price of Php 6.11 per share or a total price of Php 68,432,000,000.00.

As a result of this transaction, UCME becomes a direct wholly owned subsidiary of the Company.

Note that the closing of the Share-Swap Transaction shall be subject to the approval by the Securities and Exchange Commission ("SEC") of the increase in authorized capital stock and the confirmation of the valuation of 100% of UCME. We shall promptly update the Exchange as soon as the Company files the application with the SEC and once approval is obtained.

In addition to the application for SEC approval, the Company may seek the approval of the Philippine Competition Commission, if deemed necessary, prior to the closing of the Share-Swap Transaction. The Company will also apply for the relevant tax free exchange ruling with the Bureau of Internal Revenue ("BIR") for the Share-Swap Transaction. We shall apprise the exchange when approval / rulings from these relevant agencies have been obtained.

Finally, the Restructuring was also approved by the National Telecommunications Commission in its Order dated 25 September 2020.

**The reason/purpose of the transaction including the benefits which are expected to be accrued to the listed issuer as a result of the transaction**

The purpose of the acquisition by the Company of the Sale Shares is to make the Company an indirect shareholder of the shares in Dito Telecommunity Corporation, the company that was awarded as the New Major Player of the Philippine telecommunications industry last November 2018. This transaction will give value to the Company as it will hold indirect interest of approximately 53.4% of the shares in Dito Telecommunity Corporation.

**The aggregate value of the consideration, explaining how this is to be satisfied, including the terms of any arrangements for payment on a deferred basis**

The total consideration for the issuance of the 11,200,000,000 new Dito CME shares is Php 68,432,000,000.00, or the price of Php 6.11 per share (the "Consideration Shares"). The Consideration Shares will be issued out of the increase in the authorized capital stock of the Company and will be subject to approval by the Securities and Exchange Commission.

**The basis upon which the consideration or the issue value was determined**

The Company based the consideration on the fair valuation of Dito Telecommunity Corporation, guided by a combination of various methods including (1) Income Approach (Discounted Cash Flow Method); (2) Asset Approach (Net asset value); (3) Market Approach (Volume Weighted Average Price); and (4) Market Approach (Relative Valuation). The valuation shall be supported and confirmed by a fair market valuation of an independent third-party valuation expert. A copy of the valuation report / fairness opinion shall be disclosed once obtained.

In addition, the valuation and basis of the consideration will also be subject to confirmation and approval by the Securities and Exchange Commission.

**For cash considerations, the detailed work program of the application of proceeds, the corresponding timetable of disbursements and status of each project included in the work program. For debt retirement application, state which projects were financed by debt being retired, the project cost, amount of project financed by debt and financing sources for the remaining cost of the project**

There is no cash consideration in this transaction.

**The listed company must present a statement of active business pursuits and objectives which details the steps undertaken and proposed to be undertaken by the Issuer in order to advance its business**

Dito CME, as of the date of this disclosure, does not have any active business pursuits. It only has the following subsidiaries, all of which are non-operating:

(1) ISM Equities Corporation (“ISMEC”) - ISMEC is a domestic corporation primarily engaged in investing, purchasing, using, and selling real and personal property of every kind. It is 100% owned by Dito CME but as of the date of this disclosure, ISMEC has not started its operations.

(2) Wagas Consultants Limited (“Wagas”) - Wagas is a special-purpose entity, organized and existing under the laws of the British Virgin Islands. It is 100% owned by Dito CME but as of the date of this disclosure, Wagas does not have any operations.

(3) Host Union International Limited (“Host”) – Host is an indirect subsidiary of Dito CME through Wagas as the latter wholly owns its shares. It is a special purpose entity organized and existing under the laws of Hongkong but as of the date of this disclosure, Host does not have any operations.

Thus, prior to the Share-Swap Transaction, the Company does not hold, directly or indirectly, any of the shares of Dito Telecommunity Corporation. However, once the transaction is completed and closed, Dito CME will gain indirect interest and will become a holding entity for approximately 53.4% of the shares in the Dito Telecommunity Corporation. Dito Telecommunity Corporation (formerly known as Mindanao Islamic Telephone Company, Inc. or Mislattel), is a telecommunications company in the Philippines that was the sole winner of the government-sanctioned bidding for the New Major Telecommunications Player of the Philippines held in November 2018.

### Effects in the listed company before and after the transaction on the following:

#### Increase in authorized capital stock

<b>From</b>	Php2,800,000,000.00, consisting of 2,800,000,000 common shares with a par value of Php1.00
<b>To</b>	Php40,000,000,000, consisting of 40,000,000,000 common shares with a par value of Php1.00

#### Nature of business

<b>From</b>	Holding company
<b>To</b>	Holding company

#### Corporate Name

<b>From</b>	Dito CME Holdings Corp.
<b>To</b>	Dito CME Holdings Corp.

#### Board of Directors

Name	(Regular or Independent)
Dennis A. Uy	Regular
Cherylyn C. Uy	Regular
Ernesto R. Alberto	Regular
Eric O. Recto	Regular
Joseph John L. Ong	Regular
Adel A. Tamano	Regular
Raouf Kizilbash	Regular
Francis C. Chua	Independent
Gregorio T. Yu	Independent

#### Principal Officers

Name	Position/Designation
Dennis A. Uy	Chairman and CEO
Ernesto R. Alberto	President
Joseph John L. Ong	Chief Financial Officer
Cherylyn C. Uy	Treasurer
Donald Patrick Lim	Chief Operating Officer
Leandro E. Abarquez	Corporate Secretary, CIO, and Compliance Officer

**Ownership structure**

Principal Shareholders	Before		After	
	Number of shares	%	Number of shares	%
Udenna Corporation	0	0	11,200,000,000	80

**Capital structure****Issued Shares**

Type of Security /Stock Symbol	Before	After
Common	2,800,000,000	14,000,000,000

**Outstanding Shares**

Type of Security /Stock Symbol	Before	After
Common	2,800,000,000	14,000,000,000

**Treasury Shares**

Type of Security /Stock Symbol	Before	After
-	-	-

**Listed Shares**

Type of Security /Stock Symbol	Before	After
Common	1,916,269,341	1,916,269,341

<b>Effect(s) on the public float, if any</b>	The shareholdings of Udenna Corporation will increase to approximately 80%. The public float will be reduced to 20%.
<b>Effect(s) on foreign ownership level, if any</b>	The foreign ownership level will decrease from 4.32% to 0.86%

**Additional information on the unlisted company**

<b>Nature and business</b>	UCME is a domestic holding company that is 100% owned by Udenna. It jointly owns Dito Holdings Corporation together with Chelsea at 89% and 11%, respectively. Dito Holdings Corporation is also domestic holding company that directly holds 60% of the shares of Dito Tel pursuant to the Restructuring. Dito Tel (formerly known as Mislattel) is a telecommunications company that was the winner of the government-sanctioned bidding for the New Major Telecommunications Player of the Philippines.
<b>Discussion of major projects and investments</b>	UCME owns interest in Dito Telecommunity Corporation ("Dito Tel"), through Dito Holdings Corporation. Dito Tel, formerly known as Mindanao Islamic Telephone Company, Inc. or Mislattel, is a telecommunications company that was the winner of the government-sanctioned bidding for the New Major Telecommunications Player of the Philippines held in November 2018. Dito Tel is currently preparing for the roll out of its operations as the Philippines' new telecommunications player, which is expected to launch in 2021.

**List of subsidiaries and affiliates, with percentage holdings**

Name of Subsidiary or Affiliate	% Ownership
Dito Holdings Corporation	89%
Dito Telecommunity Corporation	53.4

**Capital structure****Authorized capital stock**

Type of Security	Amount	Number of Shares
Common Shares	10,000,000.00	10,000,000

**Subscribed Shares**

Type of Security	Amount	Number of Shares
Common Shares	10,000,000.00	10,000,000

**Paid-Up Capital**

Amount	10,000,000.00
Number of Shares	10,000,000

**Issued Shares**

Type of Security	Amount	Number of Shares
Common	10,000,000.00	10,000,000

**Outstanding Shares**

Type of Security	Amount	Number of Shares
Common	10,000,000.00	10,000,000

**Par Value**

Type of Security	Amount
Common	1.00

**Ownership Structure (including percentage holdings)**

Name	Number of Shares	% Ownership
Udenna Corporation	9,999,995	100
Dennis A. Uy	1	0
Cherylyn C. Uy	1	0
Chryss Alfonsus V. Damuy	1	0
Ignacia S. Braga IV	1	0
Ma. Henedina V. San Juan	1	0

**Board of Directors**

Name	(Regular or Independent)
Dennis A. Uy	Regular
Cherylyn C. Uy	Regular
Chryss Alfonsus V. Damuy	Regular
Ignacia S. Braga IV	Regular
Ma. Henedina V. San Juan	Regular

**Principal Officers**

Name	Position/Designation
Dennis A. Uy	President & CEO
Cherylyn C. Uy	Treasurer
Ignacia S. Braga IV	Vice President - Finance
Ma. Henedina V. San Juan	Corporate Secretary
Chryss Alfonsus V. Damuy	Chief Operating Officer

**The interest which the directors of the parties to the transaction have in the transaction**

As of the date of this disclosure, Udenna is currently owned by Dennis A. Uy (46.67%) and Cherylyn C. Uy (13.33%), who are both directors of Dito CME. Dennis A. Uy and Cherylyn C. Uy also own 70% and 30%, respectively, of Dennison Holdings Corp., which, in turn, currently owns 31.56% of the issued and outstanding shares of Dito CME. Also, Dennis A. Uy and Cherylyn C. Uy are directors of UCME and Dito Holdings.

Note that Udenna owns 100% of the shares of UCME, and UCME owns 89% of Dito Holdings Corp.

Dennis A. Uy, Joseph John L. Ong, Adel A. Tamano, and Francis Chua are also directors of both Dito CME and Dito Telecommunity Corporation.

#### Statement as to the steps to be taken, if any, to safeguard the interests of the shareholders

The Company is committed to complying with all legal requirements under the law with respect to the transaction to ensure that the interest of the shareholders is safeguarded. Since the transaction is covered by the Company's guidelines under its Related Party Transactions Policy, the Company has complied with the board approval thresholds under its Related Party Transactions Policy. Also, the Company complied with the post-execution requirements of the Securities Exchange Commission with regard to this related party transaction.

In addition, the valuation report / fairness opinion issued by an independent third-party valuation expert shall be disclosed once obtained.

Further, the valuation shall be confirmed by the Securities and Exchange Commission prior to the issuance of the Dito CME shares. The Company shall also obtain approval from the Philippine Competition Commission of the Share-Swap Transaction, if necessary. The Company shall also seek a tax-free exchange ruling from the BIR.

#### Other Relevant Information

As previously disclosed, the increase in authorized capital stock of the Corporation and the acquisition of UCME were previously approved by the shareholders and directors of Dito CME on December 10, 2019. The terms and conditions of the acquisition of UCME were delegated to the board of directors of Dito CME, and were determined and approved on November 9, 2020.

Once the Share-Swap Transaction is completed and valuation is approved by the Securities and Exchange Commission, Udenna shall own 11,200,000,000 common shares in Dito CME, which will be 80% of its issued and outstanding capital stock. The current shareholders of Dito CME, which own a total of 2,800,000,000 common shares, will collectively own 20% of Dito CME after the Share-Swap Transaction. The Seventh Article of the Articles of Incorporation of Dito CME denies pre-emptive rights to existing stockholders.

The issuance of the 11,200,000,000 shares by Dito CME to Udenna Corporation and the assignment of all shares in UCME to Dito CME shall be subject to regulatory approvals, including, among others approvals from the Securities and Exchange Commission and the Philippine Competition Commission, if necessary. The Company shall also apply for a tax-free exchange ruling from the BIR.

This is part 2 of the Comprehensive Corporate Disclosure on Backdoor Listing ("CCD") of the Company, which contains the following attachments for more information on Dito Holdings Corp. and Dito Telecommunity Corp (including information on its capital structure, board of directors, officers, and major shareholders which are found in the GIS).

- (1) Dito Holdings Articles of Incorporation and GIS;
- (2) Dito Holdings 2019 AFS;
- (3) Dito Telecommunity Latest Articles of Incorporation and GIS;
- (4) Dito Telecommunity 2019, 2018, and 2017 AFS (in one file).

For documents pertaining to UCME, the Deed of Assignment between Udenna and Dito CME for the Share-Swap Transaction and the legislative franchise of Dito Telecommunity Corporation, kindly refer to Part 1 of the CCD.

#### Filed on behalf by:

<b>Name</b>	Leandro Abarquez
<b>Designation</b>	Corporate Legal Counsel