

**MINUTES OF THE
ANNUAL STOCKHOLDERS' MEETING OF
MACROASIA CORPORATION**
Held on 17 July 2020 at 3:00 P.M.
through Remote Communication via Zoom Webinar

	<u>No. of Shares</u>
Total No. of Shares Present or Represented by Proxy	1,179,417,250 shares
Total No. of Outstanding Shares (Net of Treasury Shares)	1,575,798,693 shares

<u>Directors and Officers Present:</u>	
Dr. Lucio C. Tan	: Chairman and CEO
Carmen K. Tan	: Director
Lucio C. Tan III	: Director
Joseph T. Chua	: Director, President and COO
Vivienne K. Tan	: Director
Michael G. Tan	: Director
Eduardo Luis T. Luy	: Director and Treasurer
Johnip G. Cua	: Independent Director
Ben C. Tiu	: Independent Director
Marixi R. Prieto	: Independent Director
Samuel C. Uy	: Independent Director
Atty. Marivic T. Moya	: Senior Vice President for Human Resources, Legal and External Relations Chief Compliance Officer Corporate Information Officer
Amador T. Sendin	: Chief Financial Officer Chief Risk Officer Senior Vice President for Administration
Belgium S. Tandoc	: Vice-President for Business Development Data Protection Officer
Atty. Florentino M. Herrera III	: Corporate Secretary

I. CALL TO ORDER

The Chairman and CEO, Dr. Lucio C. Tan, called the meeting to order. Dr. Tan thanked the stockholders for joining the Annual Stockholders' Meeting. He noted that while it is a currently a challenging period for everyone because of the pandemic, it was also an opportunity for growth and change. He assured the stockholders that the Corporation would strive to be dynamic and healthy in these challenging times.

Dr. Tan thereafter requested the Corporation's President and COO, Mr. Joseph T. Chua, to preside over the meeting. The Corporate Secretary, Mr. Florentino M. Herrera III, recorded the minutes of the meeting.

The Corporate Secretary informed the stockholders that the meeting was being recorded in video and audio format, in compliance with the requirements of the Securities and Exchange Commission.

II. CERTIFICATION OF NOTICE

The Corporate Secretary certified that the Notice for the meeting was duly sent twenty-one (21) days prior to the date of the meeting to all stockholders of record of the Corporation as of 17 June 2020, the record date set by the Board of Directors.

This was done in accordance with the following legal requirements:

1. Section 2.03 of Article II of the By-Laws of the Corporation, and the provisions of the Securities Regulation Code,
2. SEC Memorandum Circular No. 3, series of 2020, which required stockholders to be notified at least twenty-one (21) days before the Annual Stockholders' Meeting, and
3. The SEC's Notice dated 20 April 2020 regarding the alternative mode for distributing the notice of meeting and other documents in connection with the Annual Stockholders' Meeting for 2020.

The Corporate Secretary stated that the Notice for the meeting was published for two (2) consecutive days, on June 24 and 25, 2020, in the business section of two (2) newspapers of general circulation, the Philippine Star and Philippine Daily Inquirer, both in print and online formats. The Affidavits of Publication issued by the Philippine Star and the Philippine Daily Inquirer are attached hereto as Annexes "A" and "B", respectively.

III. MEETING PROCEDURES

The President noted that although the Corporation is holding its Annual Stockholders' Meeting by remote communication due to the COVID-19 pandemic, it strived to provide the stockholders the best opportunity to participate in the meeting.

Considering that this is the first time the Corporation is holding its Annual Stockholders' Meeting through remote communication, the President requested the Corporate Secretary to explain the procedures for the holding of the meeting.

The Corporate Secretary stated that the meeting procedures were outlined in the Corporation's Definitive Information Statement. He highlighted the following key points:

1. The Notice advised stockholders who wished to participate in the Annual Stockholders' Meeting by remote communication and vote *in absentia* to pre-register through the Corporation's website by 8 July 2020.
2. Thereafter, pre-registered stockholders were emailed specific log-in credentials to access the voting portal and attend the Annual Stockholders' Meeting.
3. Stockholders were then permitted to submit their votes through the voting portal until 10 July 2020.
4. Stockholders who opted to vote by proxy were required to submit their proxy forms via email to the Corporate Secretary on or before 3 July 2020, in accordance with the By-Laws of the Corporation.

The Corporate Secretary stated that the proxy forms of the following brokers namely, Citibank, Standard Chartered Bank, Deutsche Bank AG Manila Branch and the Hong Kong and Shanghai Banking Corporation Limited, provided for specific voting instructions on certain agenda items.

5. The total votes cast shall be tabulated manually during the meeting. The Office of the Corporate Secretary shall tabulate all votes cast *in absentia*. SGV & Co., as the external auditor of the Corporation, will validate the results. The voting results on each matter will be displayed on the screen.

6. For any queries regarding the matters in the Definitive Information Statement or regarding the Corporation in general, the stockholders were encouraged to send in advance their questions regarding the items in the agenda by using the "Queries" tab found in the Annual Stockholders' Meeting page on or before 10 July 2020 so that they may be addressed during the meeting.

The Corporate Secretary stated that no questions were submitted by the stockholders before the aforesaid deadline. Questions received after the deadline were referred to the Corporation's Investor Relations Officer for a response.

IV. CERTIFICATION OF QUORUM

The President then requested the Corporate Secretary to certify the existence of a quorum for the valid transaction of business at the meeting.

The Corporate Secretary stated that based on the online registration record and the proxies on hand, stockholders owning One Billion One Hundred Seventy Nine Million Four Hundred Seventeen Thousand Two Hundred Fifty (1,179,417,250) shares or 74.845% of the total outstanding capital stock of the Corporation were present or represented in the meeting.

The Certification issued by Ms. Josephine E. Jolejole, First Vice-President of the Philippine National Bank Trust Banking Group, the Corporation's Stock Transfer Agent, on the tabulation of attendance is attached hereto as Annex "C".

The Corporate Secretary thereafter certified that a quorum existed for the valid transaction of business.

V. APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING HELD ON 19 JULY 2019

The President proceeded to the next item in the Agenda, the approval of the Minutes of the Annual Stockholders' Meeting held on 19 July 2019 (the "Minutes of the 2019 ASM"). The President stated that the Minutes of the 2019 ASM were attached to the Corporation's Definitive Information Statement, which was posted on the Corporation's website and disclosed to the Phil. Stock Exchange.

The Corporate Secretary presented Resolution No. SH-2020-01, and based on the votes received, reported the approval by the stockholders of the following resolution which was shown on the screen:

RESOLUTION NO. SH-2020-01

“**RESOLVED**, That the Minutes of the Annual Stockholders’ Meeting held on 19 July 2019 as disclosed in the Corporation’s Definitive Information Statement, be noted and approved.”

	FOR	AGAINST	ABSTAIN
Number of Shares Voted	1,179,359,711	0	0
Percentage of Outstanding Shares	74.84%	0%	0%

VI. PRESIDENT’S REPORT AND APPROVAL OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

The President reported on the results of operations of the Corporation and its subsidiaries and presented the Business Outlook for 2020. A copy of the President’s Report is attached hereto as Annex “D”.

After the presentation of the President’s Report, the Corporate Secretary stated that there was a motion to note and approve the Annual Report and the Audited Financial Statements of the Corporation for the year ended 31 December 2019.

The Corporate Secretary presented Resolution No. SH-2020-02, and based on the votes received, reported the approval by the stockholders of the following resolution which was shown on the screen:

RESOLUTION NO. SH-2020-02

“**RESOLVED**, That the Corporation’s Annual Report and Audited Financial Statements for the year ended 31 December 2019 be noted and approved.”

	FOR	AGAINST	ABSTAIN
Number of Shares Voted	1,179,359,711	0	0
Percentage of Outstanding Shares	74.84%	0%	0%

VII. AMENDMENT OF ARTICLE II, SECTION 2.01 OF THE BY-LAWS TO CHANGE THE DATE OF THE ANNUAL STOCKHOLDERS' MEETING FROM "3RD FRIDAY OF JULY" TO "2ND THURSDAY OF MAY"

The President presented for the approval of the stockholders the amendment of the By-Laws of the Corporation to change the date of the Annual Stockholders' Meeting.

The Corporate Secretary informed the stockholders that the Board of Directors, during its meeting held on 6 March 2020, approved the amendment of Article II, Section 2.01 of the By-Laws of the Corporation to change the date of the Annual Stockholders' Meeting from "3rd Friday of July" to "2nd Thursday of May", starting 2021.

The Corporate Secretary stated that the approval of at least a majority of the outstanding capital stock was required to approve this amendment.

The Corporate Secretary thereafter presented Resolution No. SH-2020-03, and based on the votes received, reported the approval by the stockholders representing at least a majority of the outstanding capital stock of the Corporation, of the following resolution which was shown on the screen:

RESOLUTION NO. SH-2020-03

"RESOLVED, That Article II, Section 2.01 of the By-Laws be, as it is hereby amended to change the date of the Annual Stockholders' Meeting from the "3rd Friday of July" to the "2nd Thursday of May";

"RESOLVED FURTHER, That the President, the Corporate Secretary and other officers of the Corporation be, as they are hereby authorized to perform all acts including but not limited to the filing of the necessary documents with the Securities and Exchange Commission and to sign, execute and deliver, for and on behalf of the Corporation, any and all documents as may be necessary and/or appropriate to implement the foregoing resolution."

	FOR	AGAINST	ABSTAIN
Number of Shares Voted	1,179,359,711	0	0
Percentage of Outstanding Shares	74.84%	0%	0%

VIII. AMENDMENT OF ARTICLE III, SECTION 3.01 OF THE BY-LAWS TO REDUCE THE NUMBER OF QUALIFYING SHARES OF DIRECTORS FROM ONE HUNDRED THOUSAND (100,000) SHARES TO ONE THOUSAND (1,000) SHARES

The President then proceeded to the next item on the agenda, which was the amendment of the By-Laws of the Corporation to reduce the number of qualifying shares of directors.

The Corporate Secretary stated that during the meeting held on 19 July 2019, the Board of Directors approved the amendment of Article II, Section 2.01 of the By-Laws of the Corporation to reduce the number of qualifying shares of Directors from One Hundred Thousand (100,000) shares to One Thousand (1,000) shares. The Corporate Secretary explained that the number of qualifying shares of Directors was reduced in order to widen the field of prospective directors, as well as to make more shares available for the market.

The Corporate Secretary stated that the approval of at least a majority of the outstanding capital stock was required to approve this amendment.

The Corporate Secretary thereafter presented Resolution No. SH-2020-04, and based on the votes received, reported the approval by the stockholders representing at least a majority of the outstanding capital stock of the Corporation, of the following resolution which was shown on the screen:

RESOLUTION NO. SH-2020-04

“RESOLVED, That Article III, Section 3.01 of the By-Laws be, as it is hereby amended to reduce the number of qualifying shares of directors from One Hundred Thousand (100,000) shares to One Thousand (1,000) shares;

“RESOLVED FURTHER, That the President, the Corporate Secretary and other officers of the Corporation be, as they are hereby authorized to perform all acts including but not limited to the filing of the necessary documents with the Securities and Exchange Commission and to sign, execute and deliver, for and on behalf of the Corporation, any and all documents as may be necessary and/or appropriate to implement the foregoing resolution.”

	FOR	AGAINST	ABSTAIN
Number of Shares Voted	1,179,359,711	0	0
Percentage of Outstanding Shares	74.84%	0%	0%

IX. DECLARATION OF TWENTY PERCENT (20%) STOCK DIVIDENDS FROM THE UNISSUED PORTION OF THE AUTHORIZED CAPITAL STOCK

The President presented the next item on the Agenda, which was the declaration of the twenty percent (20%) stock dividends from the unissued portion of the Corporation's authorized capital stock. He requested the Corporation's Chief Financial Officer, Mr. Amador T. Sendin, to explain this item.

Mr. Sendin informed the stockholders that during the Regular Board Meeting held on 6 March 2020, the Board of Directors approved the declaration and distribution of cash dividends in the total amount of ₱393.9 Million from the Corporation's unrestricted retained earnings based on its Audited Financial Statements for the year ending 31 December 2019.

The record date for the cash dividends was set on 3 April 2020, and payment date was set on 4 May 2020.

Subsequently, the Board of Directors held a Special Meeting on 30 April 2020 to discuss the impact of the COVID-19 pandemic. During the said meeting, the Board of Directors approved the conversion of the cash dividend declaration to a stock dividend declaration. In compliance with existing SEC and PSE Rules and Regulations, the Corporation will set the record date and payment date after obtaining the stockholders' approval.

The Board of Directors approved the conversion due to COVID-19's evolution into a global pandemic and its negative impact on the airline industry. The airline industry is incurring heavy losses and is looking at an uncertain recovery. This, in turn, has impacted the business units in the MacroAsia Group that are heavily involved in the airline industry.

Mr. Sendin assured the stockholders that while the MacroAsia Group's Balance Sheet remains robust, cash conservation and cost-containment strategies have been implemented due to the prevailing uncertainty in the aviation industry.

Mr. Sendin thereafter requested the Corporate Secretary to discuss the proposed resolution for approval of the stock dividend declaration by the stockholders.

The Corporate Secretary presented the proposed resolution for the declaration of twenty percent (20%) stock dividends equivalent to Three Hundred Fifteen Million One Hundred Fifty Nine Thousand Seven Hundred Thirty Nine (315,159,739) shares from the unissued portion of the authorized capital stock of the Corporation.

The Corporate Secretary stated that the stock dividends were to be paid out from the unrestricted earnings of the Corporation as of 31 December 2019. The Corporation would issue one (1) share as stock dividends for every five (5) common shares held by the stockholders of the Corporation based on the record date to be set after obtaining the stockholders' approval.

He explained that the affirmative vote of at least two-thirds (2/3) of the outstanding capital stock was necessary to approve the stock dividend declaration.

The Corporate Secretary thereafter presented Resolution No. SH-2020-05, and based on the votes received, reported the approval by the stockholders representing at least two-thirds (2/3) of the outstanding capital stock of the Corporation, of the following resolution which was shown on the screen:

RESOLUTION NO. SH-2020-05

“RESOLVED, That the Corporation be, as it is hereby authorized, to convert the cash dividend declaration approved during the Regular Board Meeting held on 6 March 2020, to the declaration of twenty percent (20%) stock dividends which shall be taken from the Corporation's unrestricted retained earnings based on the Audited Financial Statements for the year ending 31 December 2019, equivalent to Three Hundred Fifteen Million One Hundred Fifty Nine Thousand Seven Hundred Thirty Nine (315,159,739) shares with an aggregate par value of Three Hundred Fifteen Million One Hundred Fifty Nine Thousand Seven Hundred Thirty Nine Pesos (Php 315,159,739.00), from the unissued portion of the authorized capital stock of the Corporation;

“RESOLVED FURTHER, That the Corporation shall issue one (1) common share as stock dividends from the unissued portion of the authorized capital stock of the Corporation for every five (5) common shares held by the

stockholders of the Corporation based on the record date to be set after obtaining stockholders' approval;

“RESOLVED FINALLY, That the proper officers of the Corporation be, as they are hereby authorized to perform all acts and to sign, execute and deliver, for and on behalf of the Corporation, any and all documents as may be necessary and/or appropriate to implement the foregoing resolutions.”

	FOR	AGAINST	ABSTAIN
Number of Shares Voted	1,179,328,211	31,500	0
Percentage of Outstanding Shares	74.84%	Nil	0%

X. RATIFICATION OF ALL ACTS, PROCEEDINGS AND RESOLUTIONS OF THE BOARD OF DIRECTORS AND MANAGEMENT SINCE THE 2019 ANNUAL STOCKHOLDERS' MEETING UP TO 17 JULY 2020

The President then proceeded to the approval, confirmation and ratification of all acts, proceedings and resolutions of the Board of Directors and Management of the Corporation since the last Annual Stockholders' Meeting held on 19 July 2019 up to 17 July 2020.

The President stated that a summary of the acts, proceedings and resolutions of the Board and Management is contained in the Definitive Information Statement.

The Corporate Secretary thereafter presented Resolution No. SH-2020-06, and based on the votes received, reported the approval by the stockholders of the following resolution which was shown on the screen:

RESOLUTION NO. SH-2020- 06

“RESOLVED, That all acts, proceedings and resolutions of the Board of Directors and of Management since the last Annual Stockholders' Meeting held on 19 July 2019 up to today's meeting be, as they are hereby approved, confirmed and ratified.”

	FOR	AGAINST	ABSTAIN
Number of Shares Voted	1,179,359,711	0	0
Percentage of Outstanding Shares	74.84%	0%	0%

XI. ELECTION OF DIRECTORS

The President stated that the Articles of Incorporation of the Corporation provides for eleven (11) directors. The Manual on Corporate Governance of the Corporation, on the other hand, provides that there shall be at least three (3) independent directors.

The President then requested the Corporate Secretary to explain the procedure for the nomination and election of the directors.

The Corporate Secretary explained that in accordance with the Corporation's By-Laws and Manual on Corporate Governance, the nomination of the Corporation's directors was conducted by the Corporate Governance Committee. All recommendations were signed by the nominating stockholders together with the acceptance and conformity of the would-be nominees and were submitted to the Corporate Governance Committee and the Corporate Secretary at least thirty (30) days before the date of the Annual Stockholders' Meeting.

The Corporate Governance Committee pre-screened the qualifications of the nominees and thereafter prepared the Final List of Candidates. Only nominees whose names appear in the Final List of Candidates are eligible for election as directors.

The Corporate Secretary reported that the Corporate Governance Committee approved the following nominees for election as members of the Board of Directors of the Corporation for 2020-2021:

1. Dr. Lucio C. Tan
2. Carmen K. Tan
3. Lucio C. Tan III
4. Joseph T. Chua
5. Vivienne K. Tan
6. Michael G. Tan
7. Eduardo Luis T. Luy

For Independent Directors:

8. Johnip G. Cua
9. Ben C. Tiu
10. Marixi R. Prieto
11. Samuel C. Uy

The Corporate Secretary thereafter presented Resolution No. SH-2020-07, and based on the votes received, and considering further that there are only eleven (11) nominees for the eleven (11) seats in the Board, reported the approval of the following resolution which was shown on the screen:

RESOLUTION NO. SH-2020-07

“RESOLVED, That the eleven (11) nominees to the Board of Directors who have been confirmed by the Corporate Governance Committee, namely:

1. Dr. Lucio C. Tan
2. Carmen K. Tan
3. Lucio C. Tan III
4. Joseph T. Chua
5. Vivienne K. Tan
6. Michael G. Tan
7. Eduardo Luis T. Luy

For Independent Directors:

8. Johnip G. Cua
9. Ben C. Tiu
10. Marixi R. Prieto
11. Samuel C. Uy

are hereby elected as directors of the Corporation for the ensuing year and until the election and qualification of their successors.”

	FOR	AGAINST	ABSTAIN
Dr. Lucio C. Tan	1,166,952,415	11,987,296	420,000
Carmen K. Tan	1,170,364,395	8,575,316	420,000
Lucio C. Tan III	1,178,825,195	114,516	420,000
Joseph T. Chua	1,178,825,195	114,516	420,000
Vivienne K. Tan	1,170,364,395	8,575,316	420,000
Michael G. Tan	1,170,364,395	8,575,316	420,000
Eduardo Luis T. Luy	1,178,483,495	456,216	420,000
Johnip G. Cua	1,170,478,911	8,460,800	420,000
Ben C. Tiu	1,170,478,911	8,460,800	420,000
Marixi R. Prieto	1,170,478,911	8,460,800	420,000
Samuel C. Uy	1,175,186,131	0	420,000

XII. APPOINTMENT OF EXTERNAL AUDITOR

The President then proceeded to the appointment of the external auditor of the Corporation for the ensuing year. He requested the Chairman of the Audit Committee, Mr. Johnip G. Cua, to explain the endorsement of the external auditor.

Mr. Cua explained that the Corporation's Manual of Corporate Governance provides that the Audit Committee is tasked to select and evaluate the External Auditor of the Corporation which is thereafter endorsed to the Board of Directors and presented to the stockholders for approval.

He reported that, after careful deliberation, and after evaluating the performance of the accounting firm of Sycip Gorres Velayo & Co. (SGV & Co.) for the past year, the Audit Committee endorsed to the Board its appointment as External Auditor of the Corporation for the year 2020-2021. The appointment of SGV & Co. was approved by the Board of Directors on 15 June 2020.

The Corporate Secretary thereafter presented Resolution No. SH-2020-08, and based on the votes received, reported the approval by the stockholders of the following resolution which was shown on the screen:

RESOLUTION NO. SH-2020-08

"RESOLVED, That SGV & Co. be appointed as the External Auditor of the Corporation for 2020-2021."

	FOR	AGAINST	ABSTAIN
Number of Shares Voted	1,178,933,711	6,000	420,000
Percentage of Outstanding Shares	74.81%	Nil	0.03%

XIII. OTHER MATTERS

The President advised the stockholders that the Corporation did not receive any queries on or before the 10 July 2020 deadline. He stated that the Corporation's Investor Relations Officer will address any questions submitted after the deadline. He also informed the stockholders that they may submit additional questions regarding the meeting by sending an email to asmquery@macroasiacorp.com on or before 31 July 2020.

XIV. ADJOURNMENT

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

CERTIFIED CORRECT:

FLORENTINO M. HERRERA III
Corporate Secretary

ATTEST:

DR. LUCIO C. TAN
Chairman and CEO

JOSEPH T. CHUA
*Chairman of the Meeting/
President and COO*

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

AFFIDAVIT OF PUBLICATION

I, ADELA GERSALIA MENDOZA, of legal age, Filipino, married and a resident of 14 Registration St. SSS HMS North, Quezon City Philippines after having duly sworn to in accordance with law, hereby declare and testify.

1. That I am the Classified Ads Officer-In-Charge of the PHILIPPINE DAILY INQUIRER, INC., publisher of the Philippine Daily Inquirer which is being published daily in English, of general circulation with editorial and business address at Chino Roces St. cor. Yague and Mascardo Sts., Makati.

2. That at the order of
MACROASIA CORPORATION

Re: Notice of Annual Stockholders' Meeting

Text of which would be described as follows:

AS PER ATTACHED

Has been published in the Philippine Daily Inquirer's print and digital edition in its issue/ issues of:


June 24 and 25, 2020

Affiant Further Sayeth
Naught, Makati Philippines _____


ADELA G. MENDOZA
Affiant

SUBSCRIBED AND SWORN to before me this
JUN 29 2020 day of _____
PHILIPPINES, affiant exhibited to me her Driver's License No. 102-01-455507 issued at Quezon City valid until October 10, 2023 and her SSS No. 03-9451924-9, bearing her photograph and signature.

Doc. No. 56 ;
Page No. 13 ;
Book No. 113 ;
Series of 2020.


ATTY. JOSHUA P. LAFUZ
Notary Public Makati City
Until Dec. 31, 2021
Appointment No. M-66-(2020-2021)
PTR No. 8116016 Jan. 2, 2020/Makati
IBP Lifetime No. 04897 Roll No. 45790
MCLE Compliance No. VI-0016565
G/F Fedman Bldg., 199 Salcedo St.
Legaspi Village, Makati City

REPUBLIC OF THE PHILIPPINES) s.s.
QUEZON CITY)

AFFIDAVIT OF PUBLICATION

I, **EMMA V. DOROTEO**, of legal age, single, Filipino and with office address at c/o **PhilSTAR Daily, Inc.**, 202 Railroad Street corner Roberto S. Oca Street, Port Area, Manila, after being duly sworn to in accordance with law, depose and state:

That I am the **BILLING & COLLECTION MANAGER** of the **PhilSTAR Daily, Inc.** a domestic corporation duly organized and existing under by virtue of Philippine laws with office and business address at 202 Railroad Street corner Roberto S. Oca Street, Port Area, Manila.

That the said corporation publishes **THE PHILIPPINE STAR**, a daily broadsheet newspaper published in English and of general circulation.

That the order of _____
Macroasia Corporation _____

captioned as follows: _____
Notice of Stockholders Meeting _____

Please see attached printed text which had been published in **The Philippine STAR** in its issues of: June 24 & 25, 2020
With online post in Onenews.ph

FURTHER AFFIANT SAYETH NAUGHT.
QUEZON City, Philippines

Emma V. Doroteo
EMMA V. DOROTEO
Affiant

SUBSCRIBED AND SWORN to before me this _____ day of JUN 30 2020 2020 affiant exhibited to me her Unified Multi-Purpose ID (UMID) CRN No. 0003-8049504-7.

Doc. No. 479
Page No. 97
Book No. 111
Series of 2020

GARY A. SANCIO
GARY A. SANCIO
Notary Public
Until December 31, 2020
Adm. Matter No. NP-020(2019-2020)
Roll No. 44261
IBP No. 1092447/06-30-17/Q.C.(LIFETIME)
PTR No. 7325029/01-04-19/Q.C.

Annex "C"



Philippine National Bank
Trust Banking Group
Trunk Lines: 526-3131 / 891-6040 local 2307

Date : July 17, 2020

To : ATTY. FLORENTINO M. HERRERA III
Corporate Secretary

Re : FINAL TABULATION OF ATTENDANCE

Below is our final tabulation of attendance through MacroAsia ASM Registration Portal and electronic mail for the MacroAsia Corporation Annual Stockholders' Meeting through remote communication at 3:00 o'clock in the afternoon of 17 July 2020:

Particulars	Number of Shares	Percentage to Total Common Shares (net of Treasury Shares)
In Person	66,799	0.004
By Proxy	1,179,350,451	74.841
TOTAL ATTENDANCE	1,179,417,250	74.845

TOTAL COMMON SHARES (net of Treasury Shares)

1,575,798,693

PHILIPPINE NATIONAL BANK
Trust Banking Group
By:

A handwritten signature in black ink, appearing to read 'Josephine E. Jolejole'.

JOSEPHINE E. JOLEJOLE
First Vice-President

ANNUAL REPORT 2019

PRESIDENT AND COO's MESSAGE

Dear Stakeholders of MacroAsia,

Looking back to 2019, our net income of ₱1.19 billion is 10% better than our 2018 performance. Within the context of our long-term business plan set in 2015, we targeted a compounded annual growth rate of 20%, but our actual 5-year performance reflects a rate of 37%. In that long-term plan, we then envisioned ourselves to grow our core aviation services businesses geographically, while establishing new revenue streams outside of aviation services to serve as cash generation buffer in times of critical aviation incidents like SARS, 911 and the like. Thus, we started our commercial water concessions business in 2016, while growing our groundhandling foothold in other airports outside of Manila, Clark and Cebu.

I am pleased to report that 2019 saw our Group achieve milestones that expanded our revenue pipeline as follows:

1. Through MacroAsia SATS Food Industries, we opened a food commissary that we constructed in our own MacroAsia property in Muntinlupa City. This spacious food production facility can produce more than 25,000 meals daily, to augment the capacity of our flight kitchens inside the airport. It is intended to produce food products mainly for the non-airline market, as we see a huge potential in doing institutional food sales and toll manufacturing for others.
2. In March 2019, through MacroAsia SATS Inflight Services, we took over the inflight kitchen of Philippine Airlines to service fully the catering requirements of PAL in its Manila base. This new account more than doubled our daily airline meal output in Manila.
3. At the same time, MacroAsia Airport Services finally provided fully the groundhandling requirements of PAL and PAL Express not only in Manila, but in all other airports in the Philippines.
4. In May 2019, our JV, First Aviation Academy, started its first batch of pilot trainees in Subic International Airport. FAA has a training facility, equipped with a fleet of brand-new TECNAM planes with full glass cockpit electronic instrumentation and the REDBIRD

MCX and TD2 G-1000 simulators. Three training classes for pilots were in full session as we ended 2019.

5. In November 2019, Lufthansa Technik Philippines (LTP) broke ground for the construction of a USD40M new hangar, which was targeted for operational use in the last quarter of 2020, but is now moved to 2021. The hangar is envisioned to increase LTP's base maintenance capacity by 20%. This hangar will be multipurpose, accommodating both narrow and wide-bodied aircraft.
6. In December 2019, MacroAsia and Konoike Transport Co. Ltd, a listed company in Japan, agreed to have a partnership in groundhandling. MacroAsia acquired a 30% stake in Japan Airport Service Co. Ltd. ("JASCO") through NKS Holding Co. Ltd., the Tokyo-based subsidiary of Konoike Transport and Parent Company to JASCO, while a 20% stake of MacroAsia's groundhandling handling subsidiary, MacroAsia Airport Services Corporation ("MASCORP") was acquired by Konoike Transport. With our investment in JASCO, MacroAsia is now present in Japan as an equity partner in a groundhandling company. Through our JV in Manila, skilled Filipino airport workers will be trained and deployed in Japan to help expand the business to other areas.
7. By December 2019, MacroAsia already has 5 operating subsidiaries in its water business segment, with locations in Nueva Vizcaya, Boracay Island, Bulacan, Albay and Iloilo. Our last acquisition, Summa Water Resources, Inc., started building the 10-MLD Maragondon Water Treatment Plant in the 3rd quarter of 2019. This plant will be operational by third quarter of 2020. We have also started building a wastewater treatment plant in General Trias, Cavite to service the requirements of several towns in Cavite. This plant will also be operational in 2020.

While operational developments in 2019 were encouraging, one big loss in 2019 is MacroAsia founder, Director and Treasurer Lucio K. Tan, Jr., who died on November 11, 2019 at a young of age of 53. Bong as we fondly called him, was the visionary behind the acquisition of MacroAsia and its subsequent transition into aviation services. We owe Bong, together with our former Chairman, Washington Sycip who was with MAC from its start in 1996 until 2017, the initial groundwork and masterplan for MAC's aviation services business model. Their legacies thrive, and are now enshrined in the performance culture of the various MAC companies.

Outlook:

When we started 2020, the engines for revenue and net income growth have been primed, and we updated our long-term business plan to focus on:

- Building synergies within the Group to optimize costs and resource deployment;
- Operational Efficiency Improvements after big growth in 2019;
- New Business Pursuits to further expand the revenue stream; and
- Growth in Stakeholder Values.

With guarded optimism, we saw the January travel figures remain high, positively benefiting our various business units. But then, the travel industry took a severe hit, worst than 911 and SARS, beyond our imagination and prognosis, as COVID-19 took center stage.

As aviation services ground to a halt by mid-March, we had to focus on cost-containment and cash conservation strategies. With the strong financial standing of the subsidiaries and associates, our aviation-related companies have been coping with the challenges. However, the constricted revenue pipeline will drive operating losses for our group in 2020, the first time in so many years. The extent of our operating losses remain fluid as of now, as the re-opening of airports in the country and outside are influenced by changing pandemic-related regulations of health authorities and LGUs.

We believe though that while aviation has been impacted severely, travel is bound to resume at some point in the future. Hence, we are still keeping our bid for the Sangley Airport Project development alive, hoping that in due time, we can make MacroAsia an airport operator in a premiere base airport that it can truly call its home in the future.

In the meantime, our water companies are growing and doing well in this period of quarantine. Together with our non-airline food business, these segments will provide avenues for growth in a challenging operating environment.

We see a lot of tough work ahead of us, but we believe that our teams will measure up to the challenges. With the support of our shareholders, we will come through this period to become a stronger and resilient MacroAsia family. On behalf of our teams, I thank our shareholders and the investing public for their trust and confidence, inspiring us to do our best always.