

MINUTES

**OF THE MEETING OF THE BOARD OF DIRECTORS OF
MANILA BROADCASTING COMPANY
HELD VIA ZOOM VIDEO CONFERENCE ON 7 OCTOBER 2021**

PRESENT:

JUAN MANUEL ELIZALDE	DIRECTOR / Senior Vice President – Operations / Chairman of the Meeting
RUPERTO S. NICDAO, JR.	DIRECTOR / President
JULIO MANUEL P. MACUJA	DIRECTOR / Executive Vice President – Treasurer
EDUARDO G. CORDOVA	DIRECTOR / Senior Vice President – Chief Finance Officer
ROBERT PUA	DIRECTOR / Vice President – Controller and Compliance Officer
RUDOLPH STEVE E. JULARBAL	DIRECTOR / Vice President – Legal and Corporate Secretary
MARVEL K. TAN	Independent Director
GEORGE T. GODUCO	Independent Director
CARLEA C. MIRANDA	OFFICER / Vice President – Treasury
ELLEN C. FULLIDO	OFFICER / Vice President – Human Resources
IRVING A. LISONDRA	OFFICER / Vice President – Creative Services
JONATHAN E. DECENA	OFFICER / Vice President – Radyo Natin
ELPIDIO MACALMA	OFFICER / Vice President – DZRH
WILFREDO H. ESPINOSA	OFFICER / Vice President – FM Programming
JOSE MA. T. PARROCO	OFFICER / Assistant Vice President – Sales
ALBERT M. SONGCO	OFFICER / Assistant Vice President – Central Engineering
JOHNNY FAITH QUILING	OFFICER / Assistant Vice President – FM Operations

I. CALL TO ORDER

Mr. Juan Manuel Elizalde, acted as Chairman of the meeting and called the Annual Stockholders' Meeting to order at 3:00 p.m. via Zoom video conference while the Corporate Secretary recorded the minutes.

II. CERTIFICATION OF QUORUM

The Corporate Secretary certified that there was a quorum to conduct business, all directors having been notified and present.

III. APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING HELD LAST OCTOBER 1, 2020

The first matter in the order of business is the reading and approval of the Minutes of the Annual Stockholders' Meeting held last October 1, 2020, which minutes is posted on the Company's website as required by the Securities & Exchange Commission.

There being no objection, and upon motion duly made and seconded, the minutes of the Annual Stockholders' Meeting held last October 1, 2020 that is posted in the Company's website is hereby approved.

IV. PRESIDENT'S REPORT

Financial Highlights

For 2020, total revenues amounted to P889.3 million, which is about a 19 percent decrease from the P1.098 billion in revenues generated in 2019.

Gross Profit for 2020 was at P375.5 million, compared to P451.2 million in 2019, a decrease of around 16.8 percent.

And yet, while lockdowns hampered the Company's efforts to generate revenue, the net income for 2020 was at P93.9 million, which is comparable to the net income of P94.3 million in 2019, a difference of less than one half of one percent — zero point forty-two percent, to be more precise.

To a large extent, the Company has remained profitable by implementing measures to decrease cost of services by 20.5 percent, and operating expenses by 6.4 percent.

COVID-19 Pandemic

In assessing the long-term financial health of the Company, we must first address the proverbial elephant in the room — the COVID-19 virus, which is more akin to a raging bull set loose in retail shops, manufacturing plants, and corporate offices all over the world.

Ahead of the World Health Organization declaring a pandemic in early March of 2020, the Company was already hard at work to mitigate or — even better, nullify — the

potentially catastrophic consequences of community quarantines and regional lockdowns.

Our strategy, though by no means simple, was and is straightforward: establish policies, protocols, and processes that ensure continuous, uninterrupted business operations, in a manner that keeps each and every member of our organization safe.

Technology-driven and Value-based

Based on this overarching principle, we were able to arrive at solutions that are driven by technology and grounded on the most fundamental of human values, that we are all our brothers' and sisters' keepers.

First, the Company identified functions that can be performed effectively via working from home.

Science tells us that infections run rampant in closed, crowded environments; and thus, decongesting our workplace is the logical first step in preserving our business and protecting our people.

Second, we recognized that part and parcel of being in broadcasting is that some of our staff need to work on-site, and so, we must create a safe working environment.

As such, to this day, we have strict safety measures based on guidelines from the Philippine Department of Health, the US Centers for Disease Control, and the World Health Organization.

These measures include mandatory temperature checks, regular disinfection of common areas, availability of sanitation stations throughout the office, and strict enforcement of physical-distancing policies.

And last, but certainly not least, we adopted flexible-work-arrangement schemes prescribed by the Department of Labor and Employment.

So, despite the protracted lockdowns imposed by government, our employees continue to have the means to provide for themselves and their families.

Though we don't exactly know when, we do know that this pandemic will end, and what follows suit is an era of rebuilding.

Our people, the self-same people that we have now, are our most valuable assets in seizing opportunities as the world reopens and rebuilds.

Fire and Rebuilding

And on the topic of rebuilding, the MBC Building surely comes to mind.

After fire gutted our corporate offices and broadcast studios in October 2019, we immediately began to rebuild our headquarters.

Despite the logistical hurdles of lockdowns, I am pleased to report that a substantial portion of our operations are scheduled to move back to our newly-rebuilt home, during the fourth quarter this year.

The rebuilding of the MBC Building has been a key priority because reconsolidating our operations in a centralized location allows your Company to function more efficiently while providing an even higher standard of service to our clients.

And in terms of serving clients, your Company goes far beyond brick-and-mortar solutions; we have also tapped into the best that technology has to offer.

Win Media Suite

Your Company is currently working with Win Media programmers to tailor fit the functionalities of the software suite to the business processes of our 200 or so radio stations all throughout the Philippine archipelago.

When implemented organization-wide in 2022, we will be better able to provide our clients with cost-efficient ad airing schedules, while minimizing the aging of accounts receivables through more timely submission of reports and billing requirements.

Digital Presence

Today, our AM and FM networks all have high-traffic websites as well as huge communities of followers on the most popular social media platforms such as Facebook, YouTube, and Twitter; and more recently, Instagram and TikTok.

These days, especially over the past two years, your Company has begun reaping at least two concrete rewards of our early foray into this new digital frontier.

Expanding our audience and diversifying our revenue streams.

EHRI – FELIZ

Elizalde Hotels and Resorts has worked closely with the Department of Labor and Employment to preserve jobs that would have been otherwise lost due to the business slowdown.

As the Philippines turns the corner in the battle against COVID-19, Elizalde Hotels and Resorts is poised to reap the rewards of a reopening tourism boom.

V. APPROVAL OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

There being no objection and upon motion duly made and seconded, the 2020 Audited Financial Statements of Manila Broadcasting Company is hereby approved.

VI. APPROVAL AND RATIFICATION OF THE ACTS OF THE BOARD OF DIRECTORS AND OFFICERS

Hearing no objection, upon motion duly made and seconded, the motion to ratify all acts of the Company's Board of Directors and Officers for the period from date of last annual stockholders meeting held on October 1, 2020 up to October 7, 2021 are ratified or approved as the case may be.

VII. APPROVAL OF CONTINUING SURETYSHIP AGREEMENT WITH METROPOLITAN BANK AND TRUST COMPANY (METROBANK)

The Company has executed a Continuing Suretyship Agreement (CSA) in favor of METROBANK to secure the loan of Star Parks Corporation ("SPC") in the amount of ONE HUNDRED TWENTY MILLION PESOS (PhP120,000,000.00). SPC seeks to obtain an increase of its loan with Metrobank up to PhP150,000,000.00. As one of the conditions for approval, Metrobank has required MBC to execute a CSA to secure the increase in said loan amount duly supported by the approvals of its board of directors and shareholders.

There being no objections and upon motion duly made and seconded, the motion to approve, confirm and ratify the acts of the Board of Directors in executing a Continuing Suretyship Agreement, or CSA, in favor of the Metropolitan Bank and Trust Company, or Metrobank, to secure the increased loan amount of Php 150M of Star Parks Corporation, or SPC is hereby approved.

VIII. ELECTION OF DIRECTORS AND OFFICERS FOR THE YEAR 2021 - 2022

The Corporate Secretary certified to the following Directors as having been elected by the stockholder during the stockholders' meeting which was just concluded, to hold office until their successors have been elected, namely:

BOARD OF DIRECTORS		
FEDERICO J. ELIZALDE	RUPERTO S. NICDAO, JR.	JULIO MANUEL P. MACUJA
JUAN MANUEL ELIZALDE	EDUARDO G. CORDOVA	ROBERT PUA
RUDOLPH STEVE E. JULARBAL	MARVEL K. TAN*	GEORGE T. GODUCO*

**Independent Director*

The newly elected Directors thereupon convened as a Board to appoint the officers of the Corporation. The following were appointed as Officers:

OFFICERS	
FEDERICO J. ELIZALDE	Chairman of the Board
RUPERTO S. NICDAO, JR.	President
JULIO MANUEL P. MACUJA	EVP – Treasurer
JUAN MANUEL ELIZALDE	SVP – Operations
EDUARDO G. CORDOVA	SVP – Chief Finance Officer
ROBERT PUA	VP – Controller and Compliance Officer
RUDOLPH STEVE E. JULARBAL	VP – Legal and Corporate Secretary
IRVING A. LISONDRA	VP – Advertising and Promotions
CARLEA C. MIRANDA	VP – Treasury
ELLEN C. FULLIDO	VP – Human Resources and Administrative Resources
JONATHAN E. DECENA	VP – Radyo Natin
WILFREDO H. ESPINOSA	VP – FM Programming
ELPIDIO M. MACALMA	VP – DZRH
JOSE MA. T. PARROCO	AVP – Sales
JOHNNY FAITH F. QUILING	AVP – FM Network Operations
ALBERT M. SONGCO	AVP – Central Engineering

IX. APPOINTMENT OF EXTERNAL AUDITORS

The accounting firm of Sycip Gorres Velayo & Co. was re-appointed as external auditors of the Company for the calendar year 2021.

X. OTHER MATTERS

Opportunity to give comments, ask questions, and propose to discuss other issues and matters related to the Company.

XI. ADJOURNMENT

There being no further business to discuss, the meeting was, after motion duly made and seconded, thereupon adjourned.

ATTESTED:


RUPERTO S. NICDAO, JR.
President


ATTY. RUDOLPH STEVE E. JULARBAL
Corporate Secretary