

COVER SHEET

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S.E.C. Registration No.

[illegible]

(Company's Full Name)

[illegible]

(Business Address : No. Street City / Town / Province)

MARK S. GORRICETA (CORPORATE SECRETARY)

Contact Person

(632) 8889-6467

Company Telephone Number

| | | | |
|---|---|---|---|
| 1 | 2 | 3 | 1 |
|---|---|---|---|

Month Day

Fiscal Year

20-IS

FORM TYPE

2ND WEDNESDAY OF
AUGUST

Month Day

Annual Meeting

N/A

Secondary License Type, If Applicable

| | | | |
|---|---|---|---|
| M | S | R | D |
|---|---|---|---|

Dept. Requiring this Doc.

| |
|-----|
| N/A |
|-----|

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

| | |
|--|-----|
| | N/A |
|--|-----|

Domestic

| |
|-----|
| N/A |
|-----|

Foreign

To be accomplished by SEC Personnel concerned

[illegible]

File Number

LCU

[illegible]

Document I.D.

Cashier

STAMPS

STAMPS

NOTICE OF 2024 SPECIAL STOCKHOLDERS' MEETING

NOTICE IS HEREBY GIVEN that the special meeting of stockholders of Xurpas Inc. (the "Company") will be conducted virtually through the Zoom Videoconference facility [Zoom ID: 853 8966 6007] on February 21, 2024 at 9 o'clock in the morning with the following agenda:

AGENDA

1. Call to Order
2. Certification of Notice and Quorum
3. Review and Approval of Minutes of the Previous Meeting held on August 9, 2023
4. Approval and Ratification of Matters Relating to the Art of Click Transaction
 - a. Approval of the Buy-Back and Listing of 53,298,242 Xurpas common shares
 - b. Ratification of the issuance and approval of the listing of the 16,641,244 Xurpas Common shares issued to Wavemaker Labs Pte. Ltd.
 - c. Approval of the Placing and Subscription Agreement with Nico Jose S. Nollado, Raymond Gerard S. Racaza and Fernando Jude F. Garcia;
 - d. Ratification of the Issuance and Approval of the Listing of 67,285,706 Common Shares issued to Messrs. Nollado, Racaza and Garcia pursuant to the Placing and Subscription Agreement.
5. Ratification of the issuance and approval of the listing of 181,818,182 Common Shares issued to Mr. Nico Jose S. Nollado in 2022
6. Other Matters
7. Adjournment

The Company will **not** conduct a face-to-face or in person meeting. Subject to validation procedures, stockholders may attend the meeting *remotely*.

For **Registration** to participate and/or vote in absentia, please visit: ssm2024.xurpas.com. Registration starts on January 11, 2024. Stockholders may also submit the required forms by sending an email to the Corporate Secretary at corpsec@xurpas.com or by post or courier to the principal office of Xurpas.

For individual stockholders who wish to attend the virtual meeting, you can register through the link provided above. Please also submit a certification from your broker on the number of Xurpas shares you own as of record date. For corporate stockholders who has a representative who will be attending the meeting, you can also register through the link provided above, together with the corresponding certification from your broker on the number of Xurpas shares that the company owns as of record date, and a secretary's certificate attesting to the authority of the representative to attend and vote at the stockholders' meeting.

Stockholders who will join by proxy may also visit and register in the same link.

PSE Trading Participants / Brokers may also submit the following to the Corporate Secretary (corpsec@xurpas.com): (1) the list of stockholders (together with the e-mail addresses of the stockholders) who have indicated that they wish to attend the meeting remotely and/or vote *in absentia* or through remote communication; and (2) a certification on the number of the shares held by the said stockholders as of Record Date. **The Company is not soliciting proxies.**

Only stockholders of record at the close of business day on **January 10, 2024** ("Record Date") are entitled to notice of meeting, attendance to the live webcast of the meeting, and to vote through remote communication or *in absentia*. **Attendance and voting shall be subject to validation procedures.**

December 22, 2023.



ATTY. MARK S. CORRICETA
Corporate Secretary and Chief Legal Officer



All submissions shall be subject to validation procedures of Xurpas Inc. The deadline for Registration, Voting *in absentia* and Proxy Submission is on **February 15, 2024**. Validation of all submitted ballots for the voting *in absentia* and proxies shall be done on **February 16, 2024**. The security code for the virtual stockholders' meeting for each registered stockholder shall be sent via e-mail to the provided e-mail address on **February 19, 2024**. If you need any assistance, you may contact us at corpsec@xurpas.com.

Access to Xurpas Inc.'s Notice and Agenda, Definitive Information Statement, Proxy and other documents required for the Special Stockholders Meeting may be accessed through Xurpas Inc.'s website at <http://www.xurpas.com> and via PSE Edge. You can also request for soft or hard copies of the meeting materials through an email request to corpsec@xurpas.com.

Please submit all questions and comments to corpsec@xurpas.com on or before February 16, 2024, 5:00 p.m.

EXPLANATION OF AGENDA ITEMS

Call to Order

The Chairman of the Meeting will formally open the meeting at approximately 9:00 in the morning. Live webcast of the Meeting will be accessible via Zoom ID: 853 8966 6007. Stockholders who have registered via ssm2024.xurpas.com will be given the security code through e-mail on February 19, 2024.

Certification on Notice and Quorum

Xurpas Inc. (the “**Company**”) shall distribute the Definitive Information Statement through: (a) a disclosure with the Philippine Stock Exchange Electronic Disclosure Generation Technology (“PSE EDGE”); and (b) posting at the Xurpas’ website (<http://www.xurpas.com>).

In accordance with the Corporation’s By-Laws, stockholders’ meetings may be conducted by way of remote communication or *in absentia* and voting exercised through remote communication or *in absentia*. Accordingly, the Company shall provide a link which will be accessed by the stockholders to participate and vote *in absentia* on the matters presented for resolution at the meeting.

Stockholders who will attend the meeting through remote communication or *in absentia* shall be deemed present for purposes of quorum. The Corporate Secretary shall also certify the existence of a quorum.

The following are the rules of conduct and procedure for the meeting:

1. Stockholders may attend the meeting remotely provided that they have submitted the registration requirements via ssm2024.xurpas.com (“**Registration**”). The deadline for Registration is on **February 15, 2024**.
2. Stockholders may also submit their proxies through <http://asm2023.xurpas.com>. The **deadline for submission of Proxy is on February 15, 2024, 5:00 P.M.** The validation of the proxies shall be conducted on **February 16, 2024**.
3. Questions and comments may be sent prior to or during the meeting at corpsec@xurpas.com and shall be limited to the items in the Agenda. Kindly send questions and comments on or before **February 16, 2023, 5:00 P.M.**
4. Stockholders who have registered to participate in the meeting by remote communication shall be included in determining the quorum, together with the stockholders who voted *in absentia* and submitted their proxy.
5. Voting
 - 5.1. Stockholders may cast their votes by submitting their ballots via ssm2024.xurpas.com
 - 5.2. Stockholders may issue a Proxy authorizing the Chairman of the meeting to vote on their behalf via ssm2024.xurpas.com
6. The Corporate Secretary shall tabulate and validate all votes received on February 16, 2024
7. The meeting proceedings shall be recorded in audio format and uploaded in the Company’s website within seven (7) business days from the meeting.

Approval of the Minutes of the Previous Meeting

The minutes of the meeting held on August 9, 2023 are attached in the Information Statement and posted at the company website.

Approval and Ratification of Matters Relating to the Art of Click Transaction

- a. *Approval of the Buy-Back and Listing of 53,298,242 Xurpas common shares*
- b. *Ratification of the issuance and approval of the listing of the 16,641,244 Xurpas Common shares issued to Wavemaker Labs Pte. Ltd.*
- c. *Approval of the Placing and Subscription Agreement with Nico Jose S. Nollado, Raymond Gerard S. Racaza and Fernando Jude F. Garcia*
- d. *Ratification of the Issuance and Approval of the Listing of 67,285,706 Common Shares issued to Messrs. Nollado, Racaza and Garcia pursuant to the Placing and Subscription Agreement*

Emmanuel Michel Jean Allix (“Allix”), Wavemaker Labs Pte. Ltd (“Wavemaker”) and Xurpas Inc. (“Xurpas”) entered into a Share Purchase Agreement (“SPA”) on October 6, 2016. Allix and Wavemaker are the sellers to the shares in Art of Click Pte. Ltd. (“Sale Shares”), while Xurpas will be the Buyer/Purchaser of the Sale Shares.

The SPA also provides for a Conditional Deferred Payment, which are to be paid in Xurpas Shares and which shall be dependent on the financial performance of AOC, to be distributed in the next three years.

The aggregate consideration is approximately US\$45 million. The consideration consists of both cash and Xurpas shares.

The SPA provides for a period within which to list the Xurpas Shares issued to the Sellers. In fact, the First Commitment Date for the listing of the shares is no later than four (4) months from Closing Date.

Accordingly, Xurpas paid the following on October 16, 2016:

| Name of Seller | Emmanuel Michel Jean Allix | Wavemaker Labs Pte. Ltd. | Art of Click / ESOP Shareholders |
|-------------------------|--|---|----------------------------------|
| 1 st Tranche | US\$2,797,106 in cash and US\$14,823,436 worth of Xurpas Shares; For the Xurpas Shares, Xurpas issued 53,298,242 common shares. | US\$4,628,303 worth of Xurpas Shares; For the Xurpas Shares, Xurpas issued 16,641,244 common shares. | US\$2,202,894 in cash. |

On May 19, 2017, the Parties executed an Agreement amending the terms of the Share Purchase Agreement, specifically due to non-compliance by the Company of its commitment to list the Xurpas Shares, wherein it adjusted the First Commitment Date to May 31, 2017, and accordingly provide for cash guarantee contemplated in various scenarios.

Since the Company failed to list the Xurpas Shares within the agreed period and it wanted to adjust the purchase price and payment terms, the Company and Allix entered into an agreement on June 7, 2017 wherein it adjusted the Purchase Price for the purchase of Art of Click, and the payment terms which shall be solely in cash. Accordingly, Allix acknowledged that it received upfront payment (in cash) in 2016. The Deferred Purchase Price Consideration payable to Allix was also adjusted as follows, and shall be paid in cash. Accordingly, we note that Xurpas had to purchase back the 53,298,242 Xurpas Shares previously issued to Allix through a buy-back since the consideration for the acquisition of Art of Click Shares from Allix was adjusted to solely cash.

On October 2, 2017, the Parties agreed that Allix and Wavemaker will no longer be entitled to any deferred payment consideration, which was preliminary based on AOC’s performance metrics.

The Company and Wavemaker entered into an agreement on October 3, 2017 (specifically the provisions pertaining to the Wavemaker Sale Shares Purchase Price under Section 3.1 of the SPA, and other relevant terms and conditions thereof). The Revised Agreement was approved by the Board of Directors of the Company on February 22, 2018.

Based on Section 2.1 of the Revised Agreement, the Company and Wavemaker agreed to revise Section 3.1 of the SPA to adjust the Wavemaker Sale Shares Purchase Price (as defined in the SPA) from USD5,652,651 to USD9,523,682.76 (“Revised Wavemaker Sale Shares Purchase Price”).

Accordingly, as provided in the Revised Agreement executed on October 3, 2017, the Parties agreed that the Revised Wavemaker Sale Shares Purchase Price shall also be used as follows:

(a) Php223,824,733.08 shall be used by Wavemaker to pay for the **subscription to 16,641,244**

common shares; and

(b) **Purchase from Messrs. Nico Jose S. Nollado, Fernando Jude F. Garcia and Raymond Gerard S. Racaza (Founders) an aggregate of 67,285,706 listed common shares** (which formed part of the Placing and Subscription Agreement). Wavemaker paid Php255,685,682.8 (or a Php3.80 per share) to the Founders, and the Founders used the same to subscribe to new unlisted shares in Xurpas.

The shares have been issued to the following, but have not been listed with the Philippine Stock Exchange:

| Name of Shareholder | No. of Xurpas Shares Issued | Date Issued |
|---|-----------------------------|-------------------|
| Wavemaker Labs Pte. Ltd. | 16,641,244 common shares | November 10, 2016 |
| Nico Jose S. Nollado, Fernando Jude F. Garcia, and Raymond Gerard S. Racaza | 67,285,706 common shares | March 2, 2018 |

In March 2020, Xurpas disclosed that it suspended the operations of its wholly owned subsidiary, Art of Click Pte. Ltd (“Art of Click”). Art of Click is a start-up firm established in 2011 and purchased by Xurpas in 2016, specializes in mobile marketing solutions for advertisers, publishers, app developers and other operators. Art of Click encountered financial difficulties in 2017 because (1) it lost several key clients; and (2) there was a decline in the ad network industry due to the growing dominance of companies such as Facebook and Google. Throughout this period, Xurpas has been supporting its subsidiary and has implemented drastic cost-cutting measures.

Xurpas expected further losses to be incurred by Art of Click as a result of business challenges brought on by the Corona Virus (Covid-19) pandemic, and as such, suspended the business operations of the said subsidiary to better manage Xurpas’ funds. Majority of Art of Click’s staff were retrenched, and its ad network platform was deactivated, while

We note that the shares issued to Wavemaker Labs Pte. Ltd. in 2016 is separate and different from the proposed transaction in September 20, 2020 wherein Frederick Manlunas, Benjamin Paul Bustamante Santos and James Buckley Jordan, all forming part of the Wavemaker Group intended to Subscribe to Xurpas Shares. No shares were actually issued in favor of the said individuals taking into account that the Company failed to secure the necessary regulatory approvals within the period agreed upon by the Parties. In line with this, the agreements executed in 2020 were terminated, and no Xurpas Shares were received by the said individuals.

Ratification of the issuance and approval of the listing of 181,818,182 Common Shares issued to Mr. Nico Jose S. Nollado in 2022 when it subscribed to additional Xurpas Shares

On January 20, 2022, Xurpas entered into a Subscription Agreement with one of its principal shareholders, Nico Jose S. Nollado, wherein it will issue new Xurpas shares for a subscription price of Php100,000,000.10. On March 21, 2022, upon receipt of full payment of the Subscription Price, the Corporation recorded the issuance of 181,818,182 common shares on its corporate books.

XURPAS INC.
Special Stockholders' Meeting
February 21, 2024

Instructions for Attendance to the Stockholders' Meeting in absentia, Voting in Absentia and Submission of Proxy



Please prepare the following:

1. Name, Valid E-mail Address, Contact Number
2. Valid Government-Issued Identification Card (ID)
3. Broker's Certification (if applicable)
4. For Corporate Shareholders, Secretary's Certificate attesting to the authority of the Authorized Representative to act on behalf of the Corporation / Submit the Forms

Stockholders of Record as of January 10, 2024 are entitled to attend the virtual Stockholders' Meeting and Vote in Absentia. Register via ssm2024.xurpas.com

Registration and Voting *in absentia* starts on January 11, 2024 Deadline for Registration, Voting *in absentia* and/or Submission of Proxy is on February 15, 2024.



Registered Stockholders of Xurpas Inc. as of Record Date will receive their security code for the virtual Stockholders' Meeting via e-mail on February 19, 2024.

The meeting will be accessible (live) on February 21, 2024, at 9:00 AM via Zoom Videoconference facility (Zoom ID: 853 8966 6007)

You may contact us at corpsec@xurpas.com if you need any assistance.

Xurpas Inc. will **not** conduct a face-to-face or in person meeting. The stockholders may attend the meeting *remotely* through [a videoconference facility](#).

**XURPAS INC.
REGISTRATION FORM,
VOTING IN ABSENTIA AND/OR PROXY FORM**

To be accomplished via ssm2024.xurpas.com

Registration Starts on January 11, 2024

I. Registration

| For Individual Shareholder | <i>Please fill up</i> | For Corporate Shareholders | <i>Please fill up</i> |
|-----------------------------------|-----------------------|-----------------------------------|-----------------------|
| Name | | Corporate Name | |
| Contact Number | | Name of Authorized Representative | |
| E-mail Address | | Contact Number | |
| | | E-mail Address | |

| | |
|---|----------------------|
| For Individual Stockholder: Valid Government-Issued Identification Card For Corporate Shareholders: Valid Government-Issued Identification Card of the Authorized Representative | <i>Please upload</i> |
| Broker's Certification (<i>if applicable</i>) | <i>Please upload</i> |
| Secretary's Certificate (<i>for Corporate Shareholders</i>) | <i>Please upload</i> |

| | |
|--------------------|---|
| (Yes or No) | I hereby certify that I am a stockholder of Xurpas Inc. as of Record Date (January 10, 2024) and I signify my intention to attend the virtual stockholders' meeting on February 21, 2024 at 9:00 AM. The instructions to attend the stockholders' meeting and security code will be sent to you in the e-mail address you have indicated herein on February 19, 2024 . |
|--------------------|---|

II. Voting in Absentia or Issuance of Proxy

| Please choose one (1) | | | |
|---------------------------------|--|--|--|
| Voting in Absentia | | Proxy | |
| <i>Please accomplish Ballot</i> | | I, being a stockholder of Xurpas Inc. constitutes and appoints the Chairman of the meeting to be my proxy, to represent and vote all shares registered in my name of, and which I beneficially own, at the special meeting of the stockholders on February 21, 2024 at 9:00 a.m. and any adjournment(s) and postponement(s) thereof, hereby ratifying and confirming any and all actions taken on matters which may properly come before such meeting or adjournment(s) thereof. | |

III. Ballot

| | Matters for Approval | For* | Against* | Abstain |
|----|---|-------------|-----------------|----------------|
| 1. | Approval of the Minutes of the Previous Stockholders' Meeting held on August 9, 2023 | | | |
| 2. | Approval of the Buy-Back and Listing of 53,298,242 Xurpas common shares | | | |
| 3. | Ratification of the issuance and approval of the listing of the 16,641,244 Xurpas Common shares issued to Wavemaker | | | |
| 4. | Approval of the Placing and Subscription Agreement with Nico Jose S. Nollado, Raymond Gerard S. Racaza and Fernando Jude F. Garcia | | | |
| 5. | Ratification of the Issuance and Approval of the Listing of 67,285,706 Common Shares issued to Messrs. Nollado, Racaza and Garcia pursuant to the Placing and Subscription Agreement. | | | |
| 6. | Ratification of the issuance and approval of the listing of 181,818,182 Common Shares issued to Mr. Nico Jose S. Nollado in 2022 | | | |

**indicate number of shares; otherwise, we will assume that you are voting for ALL shares registered under your name.*

| Other Terms and Conditions | |
|---|--|
| (You will not be able to proceed with the submission if any item is left blank) | |
| | In case of an account with <i>joint owners</i> , or an account in an <i>and/or capacity</i> , I hereby certify that I have secured the consent of all other owners in the submission of this Ballot. |
| | In case of a corporate shareholder, I hereby certify that I am an authorized representative of the corporation and I am duly authorized to submit this Proxy. |
| | Stockholder's data will be collected, stored, processed and used exclusively for the purposes of electronic registration, voting in absentia and/or submission of Proxy for the Electronic Stockholders' Meeting of Xurpas Inc. In order to meet privacy obligations under the Data Privacy Act of 2012, Stockholder's registrations will be stored in accordance with the statutory retention periods. Detailed information of Xurpas Inc.'s Data Privacy Policy is provided in http://www.xurpas.com . |
| | If the Form is signed and returned in blank, the shares represented by the proxy will be voted in favor of all the foregoing actions. |
| | A Form that is returned without a signature shall not be valid. |

Xurpas Inc. reserves the right to request a hard copy of the Registration Form with physical signatures from the stockholder, if necessary.

By signing below, I hereby certify that any and all information contained in this Registration Form, or provided in connection herewith, is true and complete and that Xurpas may rely on the accuracy of any such information.

[Name and Signature of Stockholder]

REMINDER:

This Registration Form shall be accomplished and submitted **on or before February 15, 2024 5:00 p.m.** Stockholders may also accomplish this Registration Form and submit directly to corpsec@xurpas.com together with a valid government-issued identification card, certification from the Broker (for scripless shares) and Secretary's Certificate (for corporate shareholders). Validation of proxies shall be held on February 16, 2024. Security Code will be sent to the e-mail of the stockholders who have submitted their registration on February 19, 2024. Notarization of this Registration Form is not required.

**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 20-IS
INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE**

1. Check the appropriate box:

[] Preliminary Information Statement

[☒] Definitive Information Statement

2. Name of Registrant as specified in its charter **XURPAS INC.**

3. **PHILIPPINES**

Province, country or other jurisdiction of incorporation or organization

4. SEC Identification Number **A200117708**

5. BIR Tax Identification Code **219-934-330**

6. **Unit 804 Antel 2000 Corporate Center 121 Valero St.
Salcedo Village, Makati City**

Address of principal office

1227
Postal Code

7. Registrant's telephone number, including area code **(02) 8889-6467**

8. Date, time and place of the meeting of security holders:

Date: February 21, 2024, Friday

Time: 9:00 a.m.

Place: The meeting shall be held at its principal office -
Unit 804 Antel 2000 Corporate Center 121 Valero St.
Salcedo Village, Makati City the presiding officer and virtually for the
other attendees.

Zoom Meeting ID: 853 8966 6007

| | | |
|--|---|---|
| Registration and Voting in Absentia and/or Proxy Submission | Registration will start on January 11, 2024 | ssm2024.xurpas.com |
| Special Stockholders' Meeting | Live on February 21, 2024, 9:00 A.M. | Videoconference Facility Zoom Meeting ID: 853 8966 6007 The Security Code will be sent via e-mail on or before February 19, 2024. |

9. Approximate date on which the Information Statement is first to be sent or given to security holders January 19, 2024

10. In case of Proxy Solicitations:

Name of Person Filing the Statement/Solicitor: **Not Applicable**
Address and Telephone No. **Not Applicable**

11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

| Title of Each Class | Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding |
|----------------------|---|
| Common Shares | 2,509,683,812 |

12. Are any or all of registrant's securities listed in a Stock Exchange?

Yes [☒] No [☐]

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:

1,797,700,660 common shares of the Corporation are listed with the Philippine Stock Exchange.

PART I.

INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1. Date, time and place of meeting of security holders.

The Special Stockholders' Meeting of Xurpas Inc. ("Xurpas" or the "Corporation" or the "Company") will be held on the following date at the following address:

Date: **February 21, 2024, Friday**
Time: **9:00 a.m.**
Place: **Unit 804 Antel 2000 Corporate Center 121 Valero St. Salcedo Village, Makati City**

Stockholders' may attend virtually via Zoom Videoconference Facility:

Zoom Meeting ID: 853 8966 6007

| | | |
|---|---|---|
| Registration and Voting in Absentia and/or Submission of Proxy | Registration will start on January 11, 2024 | ssm2024.xurpas.com |
| Special Stockholders' Meeting | Live on February 21, 2024, 9:00 A.M. | Videoconference Facility Zoom Meeting ID: 853 8966 6007 The Security Code will be sent via e-mail on or before February 19, 2024. |

Complete mailing address of registrant:

Unit 804 Antel 2000 Corporate Center 121 Valero St. Salcedo Village, Makati City, 1227

Approximate mailing date of this information statement and Proxy Form:

January 19, 2024. Copies of the Information Statement and Proxy Forms to be physically distributed to the stockholders as of record date. The Information Statement will also be available via PSE EDGE will be posted at <http://www.xurpas.com>

Item 2. Dissenters' Right of Appraisal

There are no matters or proposed actions as specified in the attached Notice of Special Meeting that may give rise to a possible exercise by stockholders of their appraisal right under Section 80 of the Revised Corporation Code of the Philippines.

Section 80, Title X: Appraisal Right of the Revised Corporation Code of the Philippines, provides that any stockholder of a corporation shall have the right to dissent and demand payment of the fair value of his shares in the following instances:

- (a) in case of any amendment to the articles of incorporation that has the effect of changing or restricting the rights of any stockholder or class of shares, or authorizing preferences in any respect superior to those of outstanding shares of any class, or extending or shortening the term of corporate existence;
- (b) in case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets;
- (c) in case of merger or consolidation; and
- (d) in case of investment of corporate funds for any purpose other than the primary purpose of the corporation.

This appraisal right may be exercised by any stockholder who has voted against the proposed corporate action, by making a written demand on the corporation for the payment of the fair value of shares held within thirty (30) days from the date on which the vote was taken: provided, that failure to make the demand within such period shall be deemed a waiver of the appraisal right.

The Corporation shall apply and observe the rules identified in Title X of the Revised Corporation Code on exercise of Appraisal Right.

Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

- a. Mr. Fernando Jude F. Garcia has an interest in the *Approval and Ratification of Matters Relating to the Art of Click Transaction*, taking into account that the shares that were issued to him will form part of the matters for stockholders' approval. All other incumbent directors and executive officers and their associates, have no substantial interest in any matter to be acted upon at the meeting other than Mr. Garcia.
- b. Atty. Mercedita S. Nollado, a former director of the Company, is the mother of Mr. Nico Jose S. Nollado. Mr. Nollado has an interest in the *Approval and Ratification of Matters Relating to the Art of Click Transaction* and in the *Ratification of the issuance and approval of the listing of 181,818,182 Common Shares* taking into account that the shares that were issued to him will form part of the matters for stockholders' approval.
- c. Mr. Wilfredo O. Racaza, a current director of the Company, is the father of Mr. Raymond Gerard S. Racaza. Accordingly, he has an interest in the Approval and Ratification of Matters relating to the Art of Click Transaction taking into account that Mr. Raymond Gerard S. Racaza is a party to the Placing and Subscription Agreement with Wavemaker Labs Pte. Ltd, wherein he was issued Xurpas Shares which is included in the matters for stockholders' ratification / approval.
- d. No director has informed the Corporation of his opposition to any matter to be acted upon at the meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

a. Class of voting shares

Number of outstanding shares as of January 10, 2024 : **2,509,683,812 common shares**

Number of votes per share : **One vote each share of stock held as of record date of January 10, 2024**

b. Record date

All stockholders of record as of January 10, 2024 are entitled to notice and to vote at the meeting.

c. Election of directors and cumulative voting rights

No action will be taken during the Stockholders' Meeting as regards election of directors.

d. Security ownership of certain record and beneficial owners and management

1. Security ownership of certain record and beneficial owners

As of November 30, 2023, the Corporation is not aware of any person who is directly or indirectly the record or beneficial owner of more than 5% of the Corporation's capital stock except as set forth below:

| Title of Class | Name, Address of Record Owner and Relationship with Issuer | Name of Beneficial Owner and Relationship with Record Owner | Citizenship | No. of Shares and Nature of Ownership (Direct or Indirect) | Percent of Class |
|-----------------------|---|--|--------------------|---|-------------------------|
| Common | Fernando Jude F. Garcia North Lane, Jem 2 Subd., Tandang Sora, Quezon City (Director, Chief Technology Officer and Treasurer) | Fernando Jude F. Garcia | Filipino | 564,803,840 (Direct) | 22.5% |
| Common | Raymond Gerard S. Racaza One Salcedo Place, Jaime Velasquez St., Salcedo | Raymond Gerard S. Racaza | Filipino | 375,765,960 (Direct) | 14.97% |

| | | | | | |
|--------|--|--|------------------|--|--------|
| | Village, Makati City (Principal Shareholder) | | | | |
| Common | Nico Jose S. Nollado Urdaneta Tower, Ayala Avenue, Makati City (Principal Shareholder) | Nico Jose S. Nollado | Filipino | 730,213,914 (Direct) and 39,169,763 (Indirect) ¹ | 30.66% |
| Common | PCD Nominee Corp. (Filipino) | PCD participants acting for themselves and for their customers ² | Filipino | 541,770,320 (Direct) | 21.59% |
| Common | PCD Nominee Corp. (Non- Filipino) | PCD participants acting for themselves and for their customers | Non- Filipino | 207,938,533 (Direct) | 8.29% |

As of November 30, 2023, 11.72% of the outstanding shares of the Corporation are held by foreigners.

¹ Shares registered in the name of Eden International Holdings Pte. Ltd.

² Each beneficial owner of shares through a PCD participant is the beneficial owner to the extent of the number of shares in his account with the PCD participant. The Corporation has no record relating to the power to decide how the shares held by PCD are to be voted.

2. Security ownership of directors and management

As of November 30, 2023, the Corporation's directors and executive officers own the following number of shares:

| Title of Class | Name of Owner and Position | Citizenship | No. of Shares and Nature of Ownership (Direct or Indirect) | Percent of Class |
|--|--|-------------|--|------------------|
| Common | Jonathan Gerard A. Gurango Chairman and Chief Executive Officer | Filipino | 412,499 (Direct) | 0.01% |
| Common | Alexander D. Corpuz Director, President, Chief Finance Officer and Chief Information Officer | Filipino | 1,000 (Direct) | Nil |
| Common | Fernando Jude F. Garcia Director, Chief Technology Officer and Treasurer | Filipino | 564,803,840 (Direct) | 22.50% |
| Common | Wilfredo O. Racaza Director | Filipino | 1,060 (Direct) | Nil |
| Common | Imelda C. Tiongson Independent Director | Filipino | 1,000 (Direct) | Nil |
| Common | Bartolome S. Silayan, Jr. Independent Director | Filipino | 2,000 (Direct) | Nil |
| Common | Christopher P. Monterola Independent Director | Filipino | 1,000,000 (Direct) | Nil |
| Common | Jonathan Juan DC Moreno Independent Director | Filipino | 10,000 (Direct) | Nil |
| N/A | Jose Vicente T. Colayco Chief Operating Officer and Chief Business Development Officer | Filipino | - | - |
| N/A | Angela Sigrid Along Chief Compliance Officer and Chief Risk Officer | Filipino | - | - |
| N/A | Mark S. Gorriceta Corporate Secretary and Chief Legal Officer | Filipino | - | - |
| Total (Directors and Officers as a Group) | | | 566,231,339 | 22.56% |

3. Voting Trust Holders of 5% or More

The Corporation is not aware of any person holding 5% or more of the Corporation's shares under a voting trust or similar agreement.

4. Changes in Control

There has been no change of control in the Corporation. There are no existing provisions in the Corporation's Articles of Incorporation or By-Laws that will delay, defer, or in any manner prevent a change in control of the Corporation.

Item 5. Directors and Executive Officers

No action will be taken during the Stockholders' Meeting as regards election of the members of the Board and/or appointment of executive officers.

Item 6. Compensation of Directors and Executive Officers

There are no matters or actions to be taken up in the meeting with regard to: (i) any bonus, profit sharing, or other compensation plan, contract, or arrangement in which any director, nominee for election as a director, or executive officer of the Issuer will participate, (ii) any pension or retirement plan in which any such person will participate, or (iii) the granting or extension to any such person of any option/s, warrant/s, or right/s to purchase any securities, other than warrants or rights issued to security holders as such, on a pro rata basis. Neither is a solicitation to be made on behalf of persons, including the Issuer.

Item 7. Independent Public Accountants

No action will be taken during the Special Stockholders' Meeting as regards the election, approval, or ratification of the Issuer's accountant.

Item 8. Compensation Plans

There are no matters or actions to be taken up with respect to any stock option, warrants, or rights plan.

C. ISSUANCE AND EXCHANGE OF SECURITIES**Item 9. Authorization or Issuance of Securities Other than for Exchange**

The following matters relating to the securities of the Issuer will be taken up in the Special Stockholders' Meeting:

| Subscriber | Class of Shares | No. of Shares | Matter | Subscription Price | Total Subscription price |
|--|------------------------|----------------------|--|---------------------------|---------------------------------|
| Wavemaker Pte Ltd | Common | 16,641,244 | Ratification of the issuance and approval of listing | Php13.45 | Php223,824,733.8 |
| Nico Jose Nollo, Raymond Gerard Racaza, Fernando Jude Garcia | Common | 67,285,706 | Ratification of the issuance and approval of listing | Php3.80 per share | Php255,685,682.80 |
| Nico Jose Nollo | Common | 181,818,182 | Ratification of the issuance and approval of listing | Php0.55 | Php100,000,000.10 |

For all holders of the Company's Common Shares, the distribution of Dividends shall be subject to the approval of the Board of Directors and availability of unrestricted retained earnings. All holders of the

Company's common shares are entitled to vote. There is also no pre-emptive right given to the Company's shareholders.

The Subscribers identified above did not receive any other right in relation to the common shares held by them, except those that are attributed to holders of common shares.

In relation to the 16,641,244 and 67,285,706 common shares identified in the above table, the said shares were issued in relation to Xurpas' acquisition of **Art of Click Pte. Ltd.**, wherein Xurpas paid Wavemaker Labs Pte. Ltd. (*one of the sellers of shares in Art of Click Pte. Ltd.*) with cash. As part of the consideration, Wavemaker Labs Pte. Ltd. will:

- (a) Subscribe to 16,641,244 new Xurpas Shares; and
- (b) Enter into a Placing and Subscription Agreement with Messrs. Nollo do, Racaza and Garcia ("Advancing Shareholders") wherein the Advancing Shareholders will sell to Wavemaker Labs Pte. Ltd an aggregate of 67,285,706 **listed** Xurpas Shares. The sale price received by the Advancing Shareholders will be used by them to subscribe to new 67,285,706 common shares in Xurpas.

The proceeds of the subscription for the 16,641,244 and 67,285,706 common shares form part of the purchase price for the acquisition of shares in Art of Click Pte. Ltd.

Meanwhile, for the Php100 million investment received from Mr. Nollo do in exchange of 181,818,182 common shares, the Company will be used as follows:

| | Amount (PHP) | Amount Disbursed (PHP) | Amount Remaining (PHP) |
|---|-------------------------|-----------------------------------|---------------------------------------|
| Development and expansion of IT Staff Augmentation Business | 47.50 | 27.78 | 19.72 |
| Employment Benefits | 5.00 | 5.00 | — |
| Equipment Replacement | 2.50 | 2.04 | 0.46 |
| Research and Development | 10.00 | 6.72 | 3.28 |
| General Corporate Purposes | 35.00 | 35.00 | — |
| Total | 100.00 | 76.54 | 23.46 |

Item 10. Modification or Exchange of Securities

There are no matters or actions to be taken up for the modification of any class of the Corporation's securities or the issuance or authorization for issuance of one class of the Corporation's securities in exchange for outstanding securities of another class.

Item 11. Financial and Other Information

There are no matters to be taken up with respect to the Company's financials.

Item 12. Mergers, Consolidations, Acquisitions and Similar Matters

There are no matters or actions to be taken up in the meeting with respect to mergers, consolidations, acquisitions and similar matters.

Item 13. Acquisition or Disposition of Property

There are no matters or actions to be taken up in the meeting with respect to acquisition or disposition of any property requiring stockholders' approval.

Item 14. Restatement of Accounts

There are no matters or actions to be taken up in the meeting with respect to the restatement of any asset, capital or surplus account of the Corporation.

D. OTHER MATTERS

Item 15. Action with Respect to Reports

The following matters will be considered and acted upon at the meeting:

- a. Approval of the Minutes of the Previous Stockholders' Meeting held on August 9, 2023

The Minutes of the 2023 Annual Stockholders' Meeting held last August 9, 2023 is attached as Annex "A" herein and is available in the Corporation's website.

There are no other items to be submitted for approval or consideration.

Item 16. Other Matters

1. The minutes of the special stockholders' meeting held on August 9, 2023 will be presented to the stockholders for approval. See attached Annex "A" for a copy of the minutes of the previous meeting.

Item 17. Amendment of Charter, By-Laws or Other Documents

There are no matters or actions to be taken up in the meeting with respect to the amendment of the Issuer's Articles of Incorporation, By-Laws or other documents.

Item 18. Other Proposed Action

These are the following proposed actions to be taken during the meeting on February 21, 2024:

- a. Approval and Ratification of Matters Relating to the Art of Click Transaction
 - i. *Approval of the Buy-Back and Listing of 53,298,242 Xurpas common shares*
 - ii. *Ratification of the issuance and approval of the listing of the 16,641,244 Xurpas Common shares issued to Wavemaker*
 - iii. *Approval of the Placing and Subscription Agreement with Nico Jose S. Nollado, Raymond Gerard S. Racaza and Fernando Jude F. Garcia*
 - iv. *Ratification of the Issuance and Approval of the Listing of 67,285,706 Common Shares issued to Messrs. Nollado, Racaza and Garcia pursuant to the Placing and Subscription Agreement*

Emmanuel Michel Jean Allix ("Allix"), Wavemaker Labs Pte. Ltd ("Wavemaker") and Xurpas Inc. ("Xurpas") entered into a Share Purchase Agreement ("SPA") on October 6,

2016. Allix and Wavemaker are the sellers to the shares in Art of Click Pte. Ltd. (“Sale Shares”), while Xurpas will be the Buyer/Purchaser of the Sale Shares.

The SPA also provides for a Conditional Deferred Payment, which are to be paid in Xurpas Shares and which shall be dependent on the financial performance of AOC, to be distributed in the next three years.

The aggregate consideration is approximately US\$45 million. The consideration consists of both cash and Xurpas shares.

The SPA provides for a period within which to list the Xurpas Shares issued to the Sellers. In fact, the First Commitment Date for the listing of the shares is no later than four (4) months from Closing Date.

Accordingly, Xurpas paid the following on October 16, 2016:

| Name of Seller | Emmanuel Michel Jean Allix | Wavemaker Labs Pte. Ltd. | Art of Click / ESOP Shareholders |
|-------------------------|--|---|----------------------------------|
| 1 st Tranche | US\$2,797,106 in cash and US\$14,823,436 worth of Xurpas Shares; For the Xurpas Shares, Xurpas issued 53,298,242 common shares. | US\$4,628,303 worth of Xurpas Shares; For the Xurpas Shares, Xurpas issued 16,641,244 common shares. | US\$2,202,894 in cash. |

On May 19, 2017, the Parties executed an Agreement amending the terms of the Share Purchase Agreement, specifically due to non-compliance by the Company of its commitment to list the Xurpas Shares, wherein it adjusted the First Commitment Date to May 31, 2017, and accordingly provide for cash guarantee contemplated in various scenarios.

Since the Company failed to list the Xurpas Shares within the agreed period and it wanted to adjust the purchase price and payment terms, the Company and Allix entered into an agreement on June 7, 2017 wherein it adjusted the Purchase Price for the purchase of Art of Click, and the payment terms which shall be solely in cash. Accordingly, Allix acknowledged that it received upfront payment (in cash) in 2016. The Deferred Purchase Price Consideration payable to Allix was also adjusted as follows, and shall be paid in cash. Accordingly, we note that Xurpas had to purchase back the 53,298,242 Xurpas Shares previously issued to Allix through a buy-back since the consideration for the acquisition of Art of Click Shares from Allix was adjusted to solely cash.

On October 2, 2017, the Parties agreed that Allix and Wavemaker will no longer be entitled to any deferred payment consideration, which was preliminary based on AOC’s performance metrics.

The Company and Wavemaker entered into an agreement on October 3, 2017 (specifically the provisions pertaining to the Wavemaker Sale Shares Purchase Price under Section 3.1 of the SPA, and other relevant terms and conditions thereof). The Revised Agreement was approved by the Board of Directors of the Company on February 22, 2018.

Based on Section 2.1 of the Revised Agreement, the Company and Wavemaker agreed to revise Section 3.1 of the SPA to adjust the Wavemaker Sale Shares Purchase Price (as

defined in the SPA) from USD5,652,651 to USD9,523,682.76 (“Revised Wavemaker Sale Shares Purchase Price”).

Accordingly, as provided in the Revised Agreement executed on October 3, 2017, the Parties agreed that the Revised Wavemaker Sale Shares Purchase Price shall also be used as follows:

(a) Php223,824,733.08 shall be used by Wavemaker to pay for the **subscription to 16,641,244 common shares**; and

(b) **Purchase from Messrs. Nico Jose S. Nollo, Fernando Jude F. Garcia and Raymond Gerard S. Racaza (Founders) an aggregate of 67,285,706 listed common shares** (which formed part of the Placing and Subscription Agreement). Wavemaker paid Php255,685,682.8 (or a Php3.80 per share) to the Founders, and the Founders used the same to subscribe to new unlisted shares in Xurpas.

The shares have been issued to the following, but have not been listed with the Philippine Stock Exchange:

| Name of Shareholder | No. of Xurpas Shares Issued | Date Issued |
|---|-----------------------------|-------------------|
| Wavemaker Labs Pte. Ltd. | 16,641,244 common shares | November 10, 2016 |
| Nico Jose S. Nollo, Fernando Jude F. Garcia, and Raymond Gerard S. Racaza | 67,285,706 common shares | March 2, 2018 |

In March 2020, Xurpas disclosed that it suspended the operations of its wholly owned subsidiary, Art of Click Pte. Ltd (“Art of Click”). Art of Click is a start-up firm established in 2011 and purchased by Xurpas in 2016, specializes in mobile marketing solutions for advertisers, publishers, app developers and other operators. Art of Click encountered financial difficulties in 2017 because (1) it lost several key clients; and (2) there was a decline in the ad network industry due to the growing dominance of companies such as Facebook and Google. Throughout this period, Xurpas has been supporting its subsidiary and has implemented drastic cost-cutting measures.

Xurpas expected further losses to be incurred by Art of Click as a result of business challenges brought on by the Corona Virus (Covid-19) pandemic, and as such, suspended the business operations of the said subsidiary to better manage Xurpas’ funds. Majority of Art of Click’s staff were retrenched, and its ad network platform was deactivated, while

We note that the shares issued to Wavemaker Labs Pte. Ltd. in 2016 is separate and different from the proposed transaction in September 20, 2020 wherein Frederick Manlunas, Benjamin Paul Bustamante Santos and James Buckley Jordan, all forming part of the Wavemaker Group intended to Subscribe to Xurpas Shares. No shares were actually issued in favor of the said individuals taking into account that the Company failed to secure the necessary regulatory approvals within the period agreed upon by the Parties. In line with this, the agreements executed in 2020 were terminated, and no Xurpas no Xurpas Shares were received by the said individuals.

b. Ratification of the issuance and approval of the listing of 181,818,182 Common Shares issued to Mr. Nico Jose S. Nollo in 2022 when it subscribed to additional Xurpas Shares

On January 20, 2022, Xurpas entered into a Subscription Agreement with one of its principal shareholders, Nico Jose S. Nollado, wherein it will issue new Xurpas shares for a subscription price of Php100,000,000.10. On March 21, 2022, upon receipt of full payment of the Subscription Price, the Corporation recorded the issuance of 181,818,182 common shares on its corporate books.

There are no other matters to be taken up during the meeting.

Item 19. Voting Procedures

- Vote Required
 - Majority vote of the outstanding capital stock present and represented at the meeting where a quorum exist shall be sufficient.
- Method of Voting
 - The Board has approved that the conduct of the Special Stockholders' Meeting on February 21, 2024 shall be through remote communication or in absentia (Virtual Meeting). Consequently, the Board also approved that a stockholder shall be allowed to vote by remote communication or in absentia. The stockholder may also appoint the Chairman of the meeting as his proxy.

A stockholder may register, vote *in absentia* or submit his proxy via ssm2024.xurpas.com. Deadline for registration, voting in absentia and proxy submission is on February 15, 2024, 5:00 PM. A stockholder voting electronically or in *absentia* shall be deemed present for purposes of quorum. Proxies may also be submitted via e-mail at corpsec@xurpas.com. Deadline for submission of Proxies is on February 15, 2024, 5:00 p.m. Validation of proxies shall be done on February 16, 2024.

Item 20. Participation of Shareholders by Remote Communication

In light of the current conditions and in support of the efforts to contain the outbreak of Covid-19, the Corporation will dispense with the physical attendance of stockholders at the meeting and will only allow attendance via remote communication and voting *in absentia*.

- To register, vote *in absentia* and submit proxies for the stockholders' meeting, please visit ssm2024.xurpas.com. Deadline for registration is on February 15, 2024, 5:00 pm.
- The live webcast of the meeting shall be accessible through Zoom Meeting ID: 853 8966 6007. The stockholders who have registered through Xurpas' Registration Link shall receive the security code via e-mail on February 19, 2024. Only stockholders who have successfully registered on or before February 15, 2024, 5:00 PM shall be allowed to attend the virtual stockholders' meeting on February 21, 2024.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Makati on January 17, 2024.

By:

A stylized, handwritten signature in black ink, consisting of a large, sweeping loop followed by a series of smaller, connected strokes.

ATTY. MARK S. CORRICETA
Corporate Secretary and Chief Legal Officer

ANNEXES

| | |
|---------|--|
| ANNEX A | Minutes of 2023 Annual Stockholders' Meeting |
|---------|--|

MINUTES OF THE 2023 ANNUAL STOCKHOLDERS’ MEETING OF XURPAS INC.

August 9, 2023 at 9:00 A.M.
Via Zoom Teleconference Facility

The 2023 Annual Stockholders’ Meeting (the “**Meeting**”) of **Xurpas Inc.** (the “**Corporation**”) was held on August 9, 2023 at 9:00 A.M. via Zoom Teleconference Facility. The Chairman of the Meeting, Mr. Jonathan Gerard A. Gurango (“**Mr. Gurango**”), presided over the meeting.

Stockholders Present:

Total No. of Shares of Stockholders Present/Represented by Proxy: **1,189,239,866**

Percentage of Shares Present/Represented by Proxy: **58%**

Directors and Officers Present:

| | |
|------------------------------|---|
| Jonathan Gerard A. Gurango | Chairman of the Board and Chief Executive Officer |
| Alexander D. Corpuz | President, Chief Finance Officer, and Chief Information Officer |
| Fernando Jude F. Garcia | Treasurer and Chief Technology Officer |
| Jose Vicente T. Colayco | Chief Operating Officer |
| Wilfredo O. Racaza | Director |
| Atty. Mercedita S. Nollado | Director |
| Imelda C. Tiongson | Lead Independent Director |
| Bartolome S. Silayan Jr. | Independent Director |
| Christopher P. Monterola | Independent Director |
| Atty. Mark S. Gorriceta | Corporate Secretary and Chief Legal Officer |
| Atty. Angela Sigrid J. Along | Chief Compliance Officer and Chief Risk Officer |

Others Present:

The new nominee for director, Mr. Jonathan Juan DC Moreno, was present in the Meeting.

The representatives of SyCip Gorres Velayo & Co., the Corporation’s external auditor, were also present in the Meeting.

I. CALL TO ORDER

Mr. Gurango called the Meeting to order. He welcomed the stockholders, members of the Board of Directors (the “**Board**”), and the officers of the Corporation to the 2023 Annual Stockholders’ Meeting.

Mr. Gurango informed the stockholders that the Meeting will be recorded.

II. CERTIFICATION OF NOTICE AND QUORUM

The Corporate Secretary, Atty. Mark S. Gorriceta (“**Atty. Gorriceta**”), certified that the Notice of the time, date, mode of conduct and Agenda of the Meeting was sent through delivery by courier to stockholders of record, a disclosure via the PSE Edge Portal, and was made available on the Corporation’s website. He stated that the stockholders were notified of the meeting in accordance with the By-Laws and applicable rules of the Securities and Exchange Commission (“**SEC**”). He likewise certified that the Notice and Agenda were sent out at least twenty-one (21) days prior to the Annual Stockholders’ Meeting, in accordance with the requirements of the Revised Corporation Code.

The Notice to the stockholders provides that the stockholders may attend the meeting electronically. The stockholders were also notified that if they wish to cast their votes, they may vote through Proxy or in absentia through the ASM Registration Portal.

Further, Atty. Gorriceta certified that stockholders owning Fifty-Eight Percent (58%) of the total outstanding shares as of June 30, 2023 (“**Record Date**”) were present via remote communication or through proxy. Therefore, there was a quorum for the Meeting.

In this meeting, Xurpas engaged BDO Unibank Inc. to assist in the validation of proxy and counting of votes.

Upon certification by Atty. Gorriceta, Mr. Gurango announced that the Meeting was duly convened and ready to proceed with its business.

III. PROCEDURES FOR DISCUSSION AND VOTING

Mr. Gurango requested Atty. Gorriceta to explain the rules of conduct and voting procedure to facilitate the orderly flow of the Meeting.

Procedure for Discussion

Atty. Gorriceta explained that questions and comments may be sent prior to or during the meeting at corpsec@xurpas.com and shall be limited only to the items in the Agenda.

Atty. Gorriceta further explained that the questions or comments will be read aloud and addressed during the Question-and-Answer Period, which shall take place after all the matters for approval have been discussed. The Corporation will only read questions and comments which are relevant to the Agenda, and the Management will reply by electronic mail to questions and comments not taken up during the Meeting.

Procedure for Voting

Atty. Gorriceta proceeded to explain that each stockholder was given an opportunity to cast their votes by submitting their ballots via the ASM Registration Portal circulated by the Corporation. Stockholders may also participate in the voting by submitting a Proxy.

As disclosed in the Corporation's Definitive Information Statement, the deadline for the submission of the ballots and/or proxies was August 1, 2023, 5:00 p.m. The Corporation has already tabulated all votes last August 4, 2023. Atty. Gorriceta stated that it is assumed that all participants of the Meeting have already submitted their votes or proxies when they registered online.

Atty. Gorriceta then explained that each outstanding share of stock entitles the registered stockholder to one vote. For the election of directors, stockholders may (a) vote such number of shares for as many persons as there are directors to be elected; or (b) may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal; or (c) distribute them on the same principle among as many candidates as he/she shall see fit. The candidates receiving the highest votes will be declared elected.

Atty. Gorriceta added that the affirmative vote of at least majority of those present in the Meeting will be needed to approve each resolution.

The above voting process was also explained in the By-Laws and the Information Statement circulated by mail and made available through the PSE Edge Portal and the Corporation's website.

IV. REVIEW AND APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING HELD ON AUGUST 9, 2022

Mr. Gurango proceeded to discuss the first item on the agenda which is the approval of the minutes of the Annual Stockholders' Meeting held last year, August 9, 2022.

Atty. Gorriceta presented the number of stockholders present and represented, and the list of directors and officers who attended the previous stockholders' meeting. He also explained that the stockholders were given the opportunity to email their questions and comments. Questions and comments were read aloud and addressed during the Question-and-Answer Period, which took place after all matters for approval have been discussed.

Thereafter, Atty. Gorriceta explained that for the previous stockholders' meeting, each stockholder was given an opportunity to cast their votes by submitting their ballots via the online registration link circulated by the Corporation, and that stockholders may likewise participate in the voting by submitting a proxy. The deadline for the submission of the ballots and/or proxies was on August 1, 2022, 5:00 P.M. Consequently, the Corporation tabulated all votes on August 4, 2022.

The matters approved during the 2022 Annual Stockholders' Meeting are the following:

| Description | # of Shares (For) | % of Total Outstanding Shares |
|---|-------------------|-------------------------------|
| Approval of the Minutes of the Annual Stockholders' Meeting held on August 11, 2021 | 1,219,336,758 | 59% |
| Approval of the 2021 Annual Report and Audited Financial Statements for the period ended December 31, 2021 | 1,219,336,758 | 59% |
| Election of Directors (Mr. Jonathan Gerard A. Gurango, Mr. Alexander D. Corpuz, Mr. Fernando Jude F. Garcia, Mr. Wilfredo O. Racaza, Atty Mercedita S. Nollado, Ms. Imelda C. Tiongson and Mr. Bartolome S. Silayan, Jr.) | 1,219,336,758 | 59% |
| Appointment of External Auditor – SyCip Gorres Velayo & Co. | 1,219,336,758 | 59% |
| Ratification of Previous Acts of Directors and Management (January 1, 2021 to June 20, 2022) | 1,219,336,758 | 59% |

Atty. Gorriceta also noted that an electronic copy of the minutes of the previous stockholders' meeting is available in the Corporation's website.

For the voting results, Atty. Gorriceta reported that at least 1,189,239,866 common shares or 100% of the total voting shares present or represented, voted in favor of the following resolution:

“RESOLVED, that the stockholders of Xurpas Inc. approve the minutes of the Annual Stockholders' Meeting held on August 9, 2022.”

Voting Results:

| | No. of Common Shares | % based on present and/or represented in this meeting |
|------------|----------------------|---|
| For | 1,189,239,866 | 100% |

V. MESSAGE OF THE CHAIRMAN

Mr. Gurango then proceeded to give his message.

Since assuming his leadership on June 6, 2022, Mr. Gurango was pleased to report on the following significant strides taken by the Corporation:

1. The Corporation's business focused on two integral aspects - staff augmentation through its "FlexIT" business unit, and its renowned custom software development arm, "Software

Builders." These two pillars formed the bedrock of the Corporation's accomplishments and laid the groundwork for its journey forward.

2. In the past year, the Corporation launched its inaugural new business unit - "X3." This bold venture propelled the Corporation into the realm of Web 3.0 development services, a domain underpinned by blockchain technologies. Through X3, the Corporation has positioned itself as a pioneer, steering the course of innovation and redefining the tech industry.
3. Building upon the above momentum, the Corporation also introduced another milestone - "Xurpas Software." This dynamic business unit is dedicated to delivering modern, business-friendly software products and services, built on next-generation ERP technologies. With Xurpas Software, the Corporation has embraced progress and empowered businesses to flourish amidst the ever-evolving landscape.
4. The Corporation expanded further as it embarked on an overseas expedition, sharing the ingenuity of Xurpas Enterprise and Xurpas Software beyond the Philippine borders. The Corporation's international endeavor commenced in Australia under the banner of "Xurpas Pty Ltd." This entity stands as a testament to the Corporation's commitment to enriching businesses worldwide with innovative solutions from the Philippines.
5. Embracing the wave of transformation, the Corporation also unveiled its latest achievement - "DSAI." This pioneering business unit specializes in software products and services harnessed by data science and artificial intelligence ("AI"), positioning Xurpas at the vanguard of a technological wave set to redefine businesses across the globe. DSAI showcases the Corporation's unwavering commitment to innovation and its ambition to shape the future of business.

Mr. Gurango proceeded to discuss that he is filled with immense pride and optimism for the trajectory of the Corporation, whose journey thus far has been marked by audacity, resilience, and an unwavering dedication to pushing boundaries.

Finally, Mr. Gurango shared his gratitude towards every shareholder, employee, partner, and stakeholder who has contributed to the Corporation's success, and expressed his confidence that Xurpas will continue to shine as a beacon of innovation and excellence.

VI. ANNUAL REPORT OF THE PRESIDENT AND APPROVAL OF THE 2022 AUDITED FINANCIAL STATEMENTS

Mr. Gurango then requested the President of the Corporation, Mr. Alexander D. Corpuz ("Mr. Corpuz"), to discuss the next item in the agenda which is the presentation of the Annual Report,

Mr. Corpuz proceeded to discuss the highlights and lowlights of the Corporation's 2022 Financial Performance.

Mr. Corpuz reported that overall, the revenues of the Corporation increased by 8%, which is the highest revenue attained since it pivoted and strengthened its enterprise business. Revenues from Enterprise Services increased by 43%. Moreover, there was a year-on-year increase in the revenues of the AllCare business. AllCare generated a 66% increase in revenues from PhP26 million in 2021 to PhP44 million in 2022.

He also shared another highlight for 2022, which was Xurpas' acceptance of the prestigious Golden Arrow Award on January 20, 2023 from the Institute of Corporate Directors ("ICD"). The award

recognizes outstanding publicly-listed companies in terms of corporate governance, transparency, accountability, and responsible business practices.

Mr. Corpuz also reported that there was an impairment of assets and goodwill from previous investments made by the Corporation, and uncontrollable and external factors arising from the deterioration in forex and crypto prices which significantly affected the Corporation's financial results in 2022.

Thereafter, Mr. Corpuz reported that the Corporation ended with a PhP227.32 million revenue as of the end of 2022, an 8% increase versus the PhP210.03 million revenue in 2021. The 8% increase is mainly due to the continuous growth of the Enterprise business by 43%. The Staff Augmentation business which comprises 70% of Enterprise revenues increased by 29%, which amounted to PhP117 million in 2022 from PhP91 million in 2021. Moreover, the Custom Development business which is 28% of Enterprise revenue, increased by 93% from PhP24 million to PhP46 million in 2021 and 2022, respectively. For the other business segments, there was a decrease in revenues of 61% and 16% for Mobile Consumer Services and Other Services, respectively, compared to the prior period. The Mobile Consumer business segment was de-prioritized, while other services decreased due to the suspension of the benefits segment of Storm, even as the AllCare business, had a year-on-year growth of 66% in 2022.

Mr. Corpuz proceeded to explain that there was an increase in gross profit of 56% ending at PhP57.53 million as of 2022, from the PhP37.22 million gross profit in 2021. There was a net loss of PhP75.86 million, which is a 190% decrease from the PhP26.16 million loss during the same period of the previous year. This was caused by the following:

- increase in salaries due to additional management and increase in manpower. In total, there was an increase from 155 FTE in 2021 to 179 FTE by the end of 2022, which the Management deemed as a necessary growth expense;
- increase in 2022 General and Administrative Expenses due to one-time, non-recurring, and non-operating expenses which included impairment of goodwill and assets on previous investments, and write-off of some receivables; and
- deterioration of the peso against USD and SGD.

Mr. Corpuz also reported that as of year end 2022, there was a deterioration on the total comprehensive loss of PhP122.79 million from the PhP12.56 million total comprehensive loss in 2021. This was due to the deterioration of the peso against the USD and SGD. Likewise, the tremendous drop in BTC and ETH prices caused the substantial comprehensive loss.

First Quarter 2023 Financial Performance Highlights

Mr. Corpuz also reported on the Corporation's financial performance for the first quarter of 2023 ("Q12023"). At the end of Q12023, the Corporation ended with a PhP46.31 million revenue, a slight 3% decrease in revenues from PhP47.70 million during the first quarter of 2022 ("Q12022"). This was mainly because of the decrease in revenues under the de-prioritized Mobile Consumer Services which dropped by 79% in Q12023 compared to the same period last year. On the other hand, Mr. Corpuz explained that there were increases in revenues for the Enterprise Services and Other Services by 6% and 21%, respectively, due to the growth of the Custom Software Development and the AllCare business.

There was an increase in gross profit by 44% ending at PhP12.25 million as of Q12022 from the PhP8.49 million gross profit in the first quarter of 2021 (“**Q12021**”). Further, there was a net loss of PhP13.90 million, which is a 173% deterioration from the PhP5.08 million loss of the same period, the previous year. This net loss was due to the following:

- increase in salaries and wages due to additional manpower and management which the Management considered as growth expenses;
- increase in AllCare’s cost of sales caused by higher utilization of members’ claims and benefit; and
- the Company’s equity in the losses of its affiliates.

At the end of Q12023, Mr. Corpuz reported that the total comprehensive income amounted to PhP 1.11 million from the PhP15.81 million total comprehensive loss of Q12022 – showing a 107% improvement. This improvement was due to the increase in the prices of BTC and ETH, and gain recognized from the cumulative translation adjustment.

Thereafter, Mr. Corpuz shared significant events for the Corporation in 2023, as follows:

a. Geographical, Operational and Product Expansion

1. Xurpas Australia was established on July 2023 to offer enterprise products and services to the Australian and New Zealand markets;
2. Xurpas Software Inc. established on April 2023 to offer business solutions (ERP, HR) which will propel companies towards its digital transformation initiatives; and
3. The Corporation has also established dedicated business units focused on exploring emerging technologies such as AI and blockchain. The Corporation is developing customized AI applications and integrations that can provide businesses with valuable insights, streamline processes, and enhance overall efficiency across various industries.

b. Sale of Altitude assets/business

Documents relating to the sale by Altitude of its assets/business was signed on April 8, 2023. The sale is consistent with the Corporation’s desire to streamline its operations and prioritize its core businesses. The proceeds of the sale, once distributed to Xurpas, will also bring additional cash flow that would allow the Corporation to invest on its focused businesses and pursue new growth opportunities.

c. Conversion of ₱136 million shareholder advances to equity

1. The Memorandum of Agreement (“**MOA**”) between the Founders and the Corporation was signed on June 30, 2023. Conversion price was agreed by the parties on July 28, 2023; for which a fairness opinion was issued by Isla, Lipana, & Co. (PwC). The Deed of Assignment of Advances was also signed on same date;
2. The Corporation shall issue 455,068,753 common shares to the Founders upon receipt of approval of the SEC; and
3. The Company shall also submit an application for additional listing of the shares with the PSE.

Sustainability Report

Given the need to operate in a sustainable manner, Mr. Corpuz explained that the Corporation has become conscious of activities within the organization that have economic, environmental, and social impacts. The material topics included in the Sustainability Report are limited to the operational matters that have a direct and significant effect to the Corporation's sustainability and the interest of its identified stakeholders (*i.e.*, shareholders, employees, customers and suppliers).

As an Information Technology ("IT") company, the main contribution of the Corporation to sustainability is the provision of digital transformation through its technical capabilities. As an IT company, the effects of the Corporation's operations mainly affect the economic and social aspects of sustainability.

The Corporation's Sustainability Report for the reporting period ended December 31, 2022 was attached to its Annual Report, and can be accessed through the PSE Edge or the Corporation's website.

Risk Management and Internal Control

Further, the Board is responsible for the Corporation's Risk Management and Internal Control System and for reviewing its adequacy and integrity.

In establishing and reviewing the risk management and internal control system, the Board considers the materiality of relevant risks and the likelihood of losses to be incurred and the cost of control. The purpose of this risk management and internal control system is to **manage and minimize** rather than eliminate the risk of failure to achieve the Corporation's objectives. There is no assurance against risk of material losses.

The Board conducts a periodic review of the effectiveness of risk management and internal control processes. The Board views that there is adequate risk management and internal control system in place.

Thereafter, Atty. Gorriceta reported that at least 1,189,239,866 common shares or 100% of the total voting shares present or represented, voted in favor of the following resolution:

"RESOLVED, that the stockholders of Xurpas Inc. (the "Corporation") note the Corporation's Annual Report and approve the Consolidated Audited Financial Statements of the Corporation as of December 31, 2022, as audited by SyCip Gorres Velayo & Co."

Voting Results:

| | No. of Common Shares | % based on present and/or represented in this meeting |
|------------|-----------------------------|--|
| For | 1,189,239,866 | 100% |

VII. AMENDMENT OF BY-LAWS

Mr. Gurango then discussed the next item on the agenda which is the amendment of the Corporation's By-Laws.

Mr. Gurango proceeded to explain that on May 11, 2023, the Board approved the amendment to the By-Laws, which was the deletion of Article V, Section 2(a) to remove from the functions of the President the power to preside at the meetings of the stockholders and renumbering of the enumeration of the functions of the President.

The Board approved the amendment to reconcile Article V Section 2 with Article II Section 6 which states that the meetings of the stockholders shall be presided over by the Chairman of the Board, or in his absence, by a chairman to be chosen by the stockholders.

For the voting results, Atty. Gorriceta reported that at least 1,189,239,866 common shares or 100% of the total voting shares present or represented, voted in favor of the following resolution:

“RESOLVED, that the stockholders of Xurpas Inc. (the “Corporation”) approve the following amendments to the By-Laws: Article V, Section 2.”

Voting Results:

| | No. of Common Shares | % based on present and/or represented in this meeting |
|------------|----------------------|---|
| For | 1,189,239,866 | 100% |

VIII. ELECTION OF DIRECTORS AND INDEPENDENT DIRECTORS

Mr. Gurango then proceeded to discuss the next item on the agenda which is the election of directors and independent directors of the Corporation.

Atty. Gorriceta proceeded to report that the Corporation's Nomination Committee pre-screened and accepted the nominations for the following directors:

1. Jonathan Gerard A. Gurango
2. Alexander D. Corpuz
3. Fernando Jude F. Garcia
4. Wilfredo O. Racaza
5. Imelda C. Tionson, *Independent*
6. Bartolome S. Silavan, Jr., *Independent*
7. Christopher P. Monterola, *Independent*
8. Jonathan Juan DC. Moreno, *Independent*

Atty. Gorriceta explained that all nominees possessed all the qualifications and none of the disqualifications under the Corporation's By-Laws and Manual on Corporate Governance and are eligible to be nominated and elected as directors of the Corporation.

The qualifications of the directors and independent directors are also provided in the Information Statement which was disclosed through the PSE Edge portal and posted on the Corporation's website. The qualifications of the nominees were also flashed on the screen during the Meeting.

Atty. Gorriceta then reported that in terms of compensation, the directors shall receive a standard per diem of PhP20,000.00 for every meeting attended, which may be adjusted, as decided by the Personal and Compensation Committee. Non-executive directors have no compensation aside from their per diem, while directors who hold executive positions receive compensation in addition to their per diem. The compensation of the directors is reflected in the Corporation's Definitive Information Statement.

Atty. Gorriceta also presented the attendance of the Board members for meetings held during the calendar year 2022.

Based on the tabulation of votes, each of the eight nominees has garnered at least 1,189,239,866 common shares or 100% of the total voting shares present or represented in the Meeting.

Atty. Gorriceta then stated that stockholders holding at least 58% of those present in the Meeting approved the following resolution:

“RESOLVED, that the stockholders of Xurpas Inc. (the “Corporation”) elect the following as directors of the Corporation to serve as such beginning today until their successors are elected and qualified:

Jonathan Gerard A. Gurango
Alexander D. Corpuz
Fernando Jude F. Garcia
Wilfredo O. Racaza
Imelda C. Tiongson (Independent Director)
Bartolome S. Silayan, Jr. (Independent Director)
Christopher P. Monterola (Independent Director)
Jonathan Juan DC Moreno (Independent Director)

Voting Results:

| | No. of Common Shares | % based on present and/or represented in this meeting |
|------------|-----------------------------|--|
| For | 1,189,239,866 | 100% |

IX. APPOINTMENT OF THE EXTERNAL AUDITOR

Mr. Gurango moved on to discuss the next item in the agenda which is the appointment of the Corporation's External Auditor. The Audit Committee has evaluated the performance of the Corporation's current External Auditor, Sycip Gorres Velayo & Co., which has been the Corporation's External Auditor since 2008. Since 2017, the audit partner for the Group is Mr. Dolmar C. Montañez ("Mr. Montañez"). Mr. Montañez is also the recommended partner-in-charge for calendar year 2023.

Based on the recommendations of the Audit Committee, the Board has agreed to endorse the appointment of Sycip Gorres Velayo & Co. as the External Auditor of the Corporation for the current fiscal year for an audit fee of Php3.23 million.

Representatives of Sycip Gorres Velayo & Co. were also present in the Meeting should there be any questions from the stockholders.

Thereafter, Atty. Gorriceta reported that at least 1,189,239,866 common shares or 100% of the total voting shares present or represented, voted in favor of the appointment of Sycip Gorres Velayo & Co. (SGV) as the External Auditor of the Corporation by adopting the following resolution:

"RESOLVED, that the stockholders of Xurpas Inc. approves the appointment of SyCip Gorres Velayo & Co. as the Corporation's External Auditor for the year 2023."

Voting Results:

| | No. of Common Shares | % based on present and/or represented in this meeting |
|-----|----------------------|---|
| For | 1,189,239,866 | 100% |

X. RATIFICATION OF PREVIOUS ACTS OF THE DIRECTORS AND MANAGEMENT

The next item in the agenda was the ratification of all previous acts of the Directors and Management from August 5, 2022 to May 15, 2023. These are attached in the Information Statement ("Annex G") and disclosed in the PSE Edge Portal and posted on the Corporation's website.

All items approved by the Board during the above period was flashed on the screen during the Meeting for everyone's reference.

For the voting results, Atty. Gorriceta certified that at least 1,189,239,866 common shares or 100% of the total voting shares present or represented ratified all previous acts of the Board and Management from August 5, 2022 to May 15, 2023 by adopting the following resolution:

"RESOLVED, that the stockholders of Xurpas Inc. ratify all actions of the Directors and Management from July 7, 2022 to May 30, 2023."

Voting Results:

| | No. of Common Shares | % based on present and/or represented in this meeting |
|------------|----------------------|---|
| For | 1,189,239,866 | 100% |

XI. APPROVAL OF THE LISTING OF ADDITIONAL COMMON SHARES

Mr. Gurango proceeded to discuss the next item on the agenda which is the approval of the listing of additional common shares of the Corporation.

Mr. Gurango explained that on June 30, 2023, the Board approved the conversion of advances and subsequent issuance of common shares to Mr. Fernando Jude F. Garcia (“**Mr. Garcia**”) and Mr. Nico Jose S. Nollado (“**Mr. Nollado**”). The total amount of advances to be converted into equity is at Php136,520,626.35. The conversion price per share as endorsed by the Audit Committee, approved by the Board, and agreed by the parties is Php0.30.

Mr. Gurango further reported that the number of common shares to be issued to Mr. Garcia and Mr. Nollado are 455,068,753 common shares, or 18.13% of the new total issued and outstanding shares. The shares will only be issued to the subscribers upon the Corporation’s receipt of SEC’s confirmation of valuation. He also stated that the conversion to equity is expected to result in an improvement in the Corporation’s balance sheet.

For the voting results, Atty. Gorriceta certified that at least 1,189,239,866 common shares or 100% of the total voting shares present or represented approved the following resolution:

“**RESOLVED**, that the stockholders of Xurpas Inc. approve the listing of 189,729,880 common shares and 265,338,873 common shares to be issued to Mr. Fernando Jude F. Garcia and Mr. Nico Jose S. Nollado, respectively.”

Voting Results:

| | No. of Common Shares | % based on present and/or represented in this meeting |
|------------|----------------------|---|
| For | 1,189,239,866 | 100% |

XII. QUESTION AND ANSWER

Mr. Gurango then announced that the Board will proceed to answer the questions raised by the stockholders.

- a) What will be the use of proceeds for the conversion of advances to equity that was recently disclosed by the company?

Mr Corpuz responded that there are no proceeds from the conversion transaction. The transaction is simply a conversion of the advances made by Mr. Nollado and Mr. Garcia between 2017 – 2019 to more equity or additional shares in the Corporation. This transaction reclassifies portion of the advances into shareholders' equity in the balance sheet which will strengthen the Corporation's financial position.

b) What are the new and innovative products and services to be offered by Xurpas?

Mr. Corpuz answered that echoing the Chairman's message, the new and innovative products and services to be offered by the Corporation are the following; (1) Web 3.0 development services built primarily on blockchain technologies, (2) business-friendly software products and services built on next-generation ERP technologies, and (3) software products and services built on data science and AI.

No other questions were raised by the attendees of the Meeting.

XIII. ADJOURNMENT

There being no further business to discuss, the 2023 Annual Stockholders' Meeting was adjourned.

Prepared by:

ATTY. MARK S. GORRICETA
Corporate Secretary

Attested by:

JONATHAN GERARD A. GURANGO
Chairman of the Meeting