


Item 9.

Please see attached letter to PSE dated 10 December 2020.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PAXYS, INC.


MAYETTE H. TAPIA
Corporate Secretary/
Corporate Information Officer

Date: 10 December 2020

10 December 2020

PHILIPPINE STOCK EXCHANGE, INC.

Disclosure Department
4/F, Philippine Stock Exchange Center
PSE Center, Exchange Road
Ortigas Center, Pasig City

Attention: MR. JOSE VALERIANO B. ZUÑO III
OIC - Head, Disclosure Department

Gentlemen:

We advise that Paxys, Inc. (“Paxys” or the “Company”) held its 2020 Annual Stockholders’ Meeting today, 10 December 2020, at 11:00AM via Zoom Webinar. The highlights of the meeting were as follows:

1. Annual Report for year-end 2019

- Revenues came mainly from the business of our operating subsidiary, Scopeworks.
- Major component of revenues is from data conversion which decreased by 24% from P82.5M to P63.0M due mainly to technology advancement which has caused the continued reduction in the labor component required by Scopeworks’ major client.
- The decline in data conversion was partly offset by the revenues earned from the managed services, which has grown by 288% from P4.0M to P15.5M.
- Net result is a 9% decrease in the revenues for 2019.
- This pertains mainly to the Interest Income from the Group’s surplus funds. This has increased to P115 million or about 14% from the previous year.
- Even with decreased revenues, Net Income has increased to P24.3 million in 2019 or a 72% increase over the previous year. The increase was due mainly to the higher yield achieved on the Group’s surplus funds.
- The Group’s assets are mainly cash equivalents and investment securities. These funds are invested in short term placements and short duration bonds. About 75% of the funds are in USD denominated investment instruments.
- In 2019, there’s a slight decrease of 1% in the total assets of the group due to the Philippine Peso appreciation from P52.58 as of year-end 2018 to P50.64 as of year-end 2019.
- While the Group’s Retained Earnings increased by P24.3 million coming from the Net Income for the year, the Other Equity Reserves decreased by P101million due to the peso appreciation as earlier mentioned.

- This has brought down the Total Equity on consolidated basis by about 2%.

Financial Update for the nine-month period ended 30 September 2020 (unaudited):

- Revenues are down by 28% due to the temporary shutdown in compliance with government-mandated community quarantine which lasted for about 3 months.
- Other Income also went down by 53% due to the declining interest rates.
- As a result, the unaudited Net Loss for 9 months ending September 30, 2020 is about P18 million, down from a P22.3 million Net Income for the same period last year.

2. The following were elected directors for the current term (2020-2021):

Tarcisio M. Medalla
Roger Leo A. Cariño
Christopher B. Maldia
Lim Ghee Keong
Roberto A. Atendido
George Edwin Y. SyCip (Independent Director)
Jose Antonio A. Lichauco (Independent Director)

3. The shareholders approved the appointment of Reyes Tacandong & Co. as the Company's external auditors for the year 2020-2021.

During the organizational meeting of the newly elected Board of Directors held immediately after the stockholders' meeting, the following matters were likewise approved:

1. The following were elected as the Company's officers:

Tarcisio M. Medalla	Chairman and President
Roger Leo A. Cariño	Treasurer
Mayette H. Tapia	Corporate Secretary and Corporate Information Officer
Pablito O. Lim	Compliance Officer and Chief Financial Officer
Ana Maria A. Katigbak	Assistant Corporate Secretary and Assistant Corporate Information Officer
Sheri A. Inocencio	Chief Audit Executive
Divine Grace M. Gandeza	Chief Risk Officer

2. Appointment of the members of the various Board Committees, as follows:

Executive Committee

Tarcisio M. Medalla, Chairman
Lim Ghee Keong
Roger Leo A. Cariño
Roberto A. Atendido

Audit, Risk Management, and Related-Party Transactions Committee

Jose Antonio A. Lichauco, Chairman (Independent Director)
George Edwin Y. SyCip (Independent Director)
Roberto A. Atendido
Roger Leo A. Cariño

Compensation Committee

Tarcisio M. Medalla, Chairman
Roger Leo A. Cariño
George Edwin Y. Sycip (Independent Director)

Nominations and Governance Committee

George Edwin Y. SyCip, Chairman (Independent Director)
Tarcisio M. Medalla
Jose Antonio A. Lichauco (Independent Director)
Roger Leo A. Cariño (non-voting).

We trust that the foregoing disclosure is sufficient to inform the investing public.

Very truly yours,

PAXYS, INC.

By:


MAYETTE H. TAPIA
Corporate Legal Counsel