

Comprehensive Corporate Disclosure

1. The nature and description of the proposed transaction, including the timetable for implementation, and related regulatory requirements if applicable.

The transaction is a share-swap between ISM Communications Corporation (the "ISM" or the "Company") and the shareholders of Udenna Corporation (Udenna), namely: Mr. Dennis A. Uy and Mrs. Cherylyn C. Uy (the "Udenna Shareholders"). ISM will issue 24,058,105,850 ISM common shares (the "ISM Shares") to the Udenna Shareholders in exchange for 2,000,000,000 issued and outstanding Udenna common shares (the "Udenna Shares"), representing 100% of the current outstanding capital of Udenna. The swap will also include the current subscription rights of the Udenna Shareholders to the pending increase in the authorized capital stock of Udenna (the "Subscription Rights") to maintain ISM's 100% ownership of Udenna as a result of the share-swap.

The ISM Shares will be issued out of the proposed increase in the authorized capital stock. The ISM Shares will be issued at Php3.00 per common share, subject to independent valuer's confirmation and shareholders' approval.

The proposed increase of the authorized capital stock of ISM was approved by ISM's board on October 18, 2018. This will be presented to ISM's stockholders for ratification on the scheduled special stockholders' meeting on December 18, 2018. Thereafter, ISM will apply with the Securities and Exchange Commission for the latter's approval of the proposed increase.

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

As a result of the transaction, Udenna will become a wholly-owned subsidiary of the Company. This allows the Company to diversify in the various business segments where Udenna is already involved in.

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

At the mentioned issue price, the aggregate value of the share-swap is Php72,174,317,550.00. The ISM Shares will be issued in exchange for the Udenna Shares and the Subscription Rights. The share swap will be implemented once the Securities and Exchange Commission confirms the valuation report (to be rendered by an independent valuer to be engaged by ISM) and approves the increase in the Company's authorized capital stock.

4. The basis upon which the consideration or the issue value was determined.

The conversion rate of Udenna shares into ISM shares was freely negotiated and agreed upon by the parties based on the current valuation of ISM and Udenna, taking into account their respective balance sheet and prospects of future operations.

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

As previously disclosed, the Company's management has been actively pursuing various investment opportunities to further its business as a holding company. The acquisition of Udenna as a wholly-owned subsidiary of ISM is a result of this pursuit. And with Udenna as part of its holdings, the Company will be able to take advantage of more investment opportunities to further diversify its holdings.

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

- Increase in authorized capital stock**

From: Php2 Billion
To: Php75 Billion

- Nature of Business**

From: holding company
To: holding company

- Corporate Name**

From: ISM Communications Corporation*
To: Udenna Holdings Corporation

**The board and shareholders approved the change of name to ISM Holdings, Inc. However, the Company has yet to secure SEC approval.*

- Board of Directors**

Name	(Regular or Independent)
Eric O. Recto	Regular
Dennis A. Uy	Regular
Cherylyn C. Uy	Regular
Alberto M. Montilla	Regular
Rafael B. Ortigas	Regular
Roberto V. San Jose	Regular
Luis Y. Benitez	Independent
Jesus S. Jalandoni, Jr.	Independent
Gregorio T. Yu	Independent

5. Principal Officers

Chairman of the Board and Chief Executive Officer:	Eric O. Recto
Vice Chairman:	Dennis A. Uy
Corporate Secretary & Corporate Information Officer:	Jovita D.S. Larrazabal
Acting Treasurer:	Justinne D. De Luzuriaga
Lead Independent Director:	Gregorio T. Yu

6. Ownership Structure

Principal Shareholders	Before*		After**	
	Number of Shares	%	Number of Shares	%
Dennis A. Uy (<i>direct holding and indirect holding thru Dennison Holdings Corporation</i>)	618,621,461	31.59%	17,459,309,556	65.01%
Cherylyn C. Uy (<i>direct holding and indirect holding thru Dennison Holdings Corporation</i>)	265,129,198	13.54%	7,482,566,953	27.86%
Eric O. Recto (<i>direct holdings and indirect holding thru Monfortino Holdings, Inc.</i>)	304,470,610	15.55%	304,470,610	1.13%

*Computed based on the assumption that Accion Common Development Fund SPC ("Accion") did not yet complete its purchase of the Treasury Shares. This is in line with the current reports of ISM.

** Computed based on the assumption that Accion already completed its purchase of the Treasury Shares.

7. Capital Structure

Issued Shares		
Type of Security/Stock Symbol	Before	After
Common Share – ISM	2,800,000,000	26,858,105,850

Outstanding Shares		
Type of Security/Stock Symbol	Before	After
Common Share – ISM	1,958,054,893	26,858,105,850

Treasury Shares		
Type of Security/Stock Symbol	Before	After
Common Share – ISM	841,945,107	0

Listed Shares		
Type of Security/Stock Symbol	Before	After
Common Share – ISM	1,916,269,341	26,858,105,850

**The shares of Dennison Holdings Corporation are not yet listed as of the date of this report. These will be applied for listing upon full payment of its subscription price.*

8. Effects on the public float, if any

Before*: 37.33%

After**: 5.86%

**Computed based on the assumption that Accion did not yet complete its purchase of the Treasury Shares. This is in line with the current reports of ISM.*

*** Computed based on the assumption that Accion already completed its purchase of the Treasury Shares.*

9. Effects on foreign ownership level, if any

Before*: 1.75%

After**: 3.26%

**Computed based on the assumption that Accion did not yet complete its purchase of the Treasury Shares. This is in line with the current reports of ISM.*

*** Computed based on the assumption that Accion already completed its purchase of the Treasury Shares.*

Additional information on the unlisted company

1. Nature of Business

Udenna is a well-diversified conglomerate with 6 business segments: 1) petroleum product distribution through the Phoenix brand and convenience store and other related businesses through Phoenix Petroleum; 2) passenger and cargo shipping, tankering and logistics through Chelsea Logistics Holdings Corp; 3) property development and leasing through Udenna Development Corp; 4) educational institutions and restaurant operations through Enderun; 5) infrastructure through Udenna Infrastructure Corp; and, 6) tourism and gaming through PH-Resorts.

2. Discussion of major projects and investments

Founded by Dennis A. Uy on 19 March 2002, and is at the helm of the Udenna Group of Companies. Udenna Corp. has ventures in key sectors including:

- a. Petroleum and ancillary services through direct and indirect shareholdings in Phoenix Petroleum Philippines, Inc.;
- b. Shipping and logistics through majority shareholdings in Chelsea Logistics Holdings Corp.;
- c. Hospitality, tourism and gaming through Philippine H2O Ventures Corp. (to be renamed to PH Resorts Group Holdings Inc. pending SEC approval);
- d. Property and land development through its wholly-owned subsidiary, Udenna Development (UDEVCO) Corporation;
- e. Educational institution and facilities through its wholly-owned subsidiary Le Penseur, Inc., which owns the operating entity, Enderun Colleges Inc.; and,
- f. Infrastructure projects through Udenna Infrastructure Corp.

3. List of subsidiaries and affiliates, with percentage holdings

Name of Subsidiary or Affiliate	% of ownership
Phoenix Petroleum Holdings Inc.	51.38%
Chelsea Logistics Holdings Corp.	70%
Philippine H2O Ventures Corp.	70%
Udenna Development Corporation (UDEVCO)	100%
Udenna Infrastructure Corp.	100%
Le Penseur Inc.	100%
PH Travel and Leisure Holdings Corp (for transfer to Philippine H2O Ventures Corp. upon approval by the SEC)	100%
Udenna Management & Resources Corp. (to be spun off prior to completion of the share swap)	100%

4. Capital structure

Authorized capital stock		
Type of Security	Amount	Number of Shares
Common Shares	Php2,000,000,000.00	2,000,000,000*

Subscribed Shares		
Type of Security	Amount	Number of Shares
Common Shares	Php2,000,000,000.00	2,000,000,000

Paid-up Capital	
Amount	Php2,000,000,000.00
Number of Shares	2,000,000,000

Issued Shares		
Type of Security	Amount	Number of Shares
Common Shares	Php2,000,000,000.00	2,000,000,000

Par Value	
Type of Security	Amount
Common Shares	Php1.00

* An increase in authorized capital stock to Php5,000,000,000 common shares was approved by the Board and Shareholders of Udenna Corporation, but pending SEC approval. The Udenna Shareholders fully subscribed and paid for the increase of Udenna's authorized capital stock to Php5,000,000,000.

5. Ownership Structure (including percentage holdings)

Name of Shareholder	Total Udenna Shares owned	%
Dennis A. Uy	1,400,000,000**	70.00%
Cherylyn C. Uy	599,999,993**	30.00%
Chryss Alfonsus V. Damuy	1	0.00%
Ignacia S. Braga IV	1	0.00%
Meldin Alfonso G. Roy	1	0.00%
Leandro E. Abarquez	1	0.00%
Ma. Concepcion F. De Claro	1	0.00%
Raymundo M Escalona	1	0.00%
Wilfredo A. Placino	1	0.00%
	2,000,000,000	100.00%

** To be increased proportionately upon SEC's approval of Udenna's increase in authorized capital stock.

Note: Aside from Mr. Dennis A. Uy, all other individual shareholders are holding their respective shares in trust for Ms. Cherylyn C. Uy.

6. Board of Directors

Name	Regular or Independent
Dennis A. Uy	Regular
Cherylyn C. Uy	Regular
Chryss Alfonsus V. Damuy	Regular
Ignacia S. Braga IV	Regular
Meldin Alfonso G. Roy	Regular
Leandro E. Abarquez	Regular
Ma. Concepcion F. De Claro	Regular
Raymundo M Escalona	Regular
Wilfredo A. Placino	Regular

7. Principal Officers

Name	Position/Designation
Dennis A. Uy	Chairman & President
Cherylyn C. Uy	Treasurer
Ignacia S. Braga IV	VP-Finance
Leandro E. Abarquez	Corporate Secretary

8. The interest which the directors of the parties to the transaction have in the transaction.

The Udenna Shareholders are also substantial shareholders of the Company thru Dennison Holdings Corporation.

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

The increase in the authorized capital stock of the Company and the Share Swap Transaction will be presented for the ratification and approval of the shareholders of the Company on the scheduled special stockholders' meeting on December 18, 2018.

10. Other relevant information

The Company will also change its corporate name to Udenna Holdings Corporation.

As of the date of this report, the Company and the Udenna Shareholders have not executed any definitive agreements for the Share Swap Transaction.

After the implementation of the Share Swap Transaction, the Company will take the necessary action (such as making an offer for additional private placements and/or follow-on public offerings) to address the resulting breach of the minimum public ownership requirement. The Company will make the appropriate disclosure at the proper time on this matter.