

F & J Prince Holdings Corporation

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING

Held at Function Room 7, Top of the Citi

34th Floor, Citibank Tower, 8741 Paseo de Roxas, Makati City

31 July 2014 • Thursday • 2:30 P.M.

I. ATTENDANCE

The Corporate Secretary, Atty. Fina C. Tantuico, attested that stockholders owning 352,485,075 shares out of 481,827,653 shares comprising the Corporation's outstanding capital stock, entitled to vote, were present or represented at the meeting.

II. CALL TO ORDER

The Chairman, Mr. Robert Y. Cokeng, called the meeting to order. The Corporate Secretary, Atty. Fina C. Tantuico, recorded the minutes of the proceedings.

III. PROOF OF NOTICE AND QUORUM

The Corporate Secretary informed the President that notices were sent to all stockholders of record of the Corporation on 02 July 2014, in the manner and within the period fixed in the By-Laws, as certified by Mr. Cal Joseph Cano, Executive Assistant of Varied Services, Inc., the Corporation's courier service company. The Secretary likewise certified that stockholders owning at least 73.16% of the outstanding capital stock of the Corporation were present and/or represented at said meeting.

The President then declared that a quorum existed for the transaction of business.

IV. APPROVAL OF THE MINUTES OF THE 2013 ANNUAL MEETING OF STOCKHOLDERS

Upon motion made and duly seconded, the reading of the minutes of the Annual Stockholders' Meeting held last 24 July 2013, copies of which were distributed to the stockholders prior to the meeting, was dispensed with and, thereafter, said minutes were duly approved and adopted.

V. MANAGEMENT REPORTS

The President rendered his yearly report the highlights of which are as follows:

The Company's consolidated revenue in 2013 decreased by 2.2% to ₱155.0 million from ₱158.5 million in 2012. Equity in net earnings of associates increased by 15.6% from ₱77.7 million in 2012 to ₱89.76 million in 2013 as the Company's outsourcing affiliates continued to show record earnings. This was offset by a drop in interest income from ₱69.5 million in 2012 to ₱47.2 million in 2013 as interest levels continued its decline due to the increasing liquidity in capital markets. However, net foreign exchange gain of ₱11.7 million was recorded in 2013 as the Peso declined against foreign currencies which benefitted the foreign exchange denominated bonds and other securities hold by the Company and its subsidiary. Rent increased slightly from ₱3.5 million in 2012 to ₱3.7 million in 2013 due to escalation of rental rates. Gain on disposal of AFS and HTM Financial Assets of ₱1.3 million was recorded in 2013 against nil in 2012. However, there was no Fair value Gain or Financial Assets at FVPL in 2013 versus ₱6.6 million in 2012 as the prices of listed stocks owned by the Company and its subsidiary did not go up in value in 2013. Dividend income dropped from ₱1.0 million in 2012 to ₱767,640 in 2013.

Total consolidated expenses of the Company was lower at ₱24.7 million in 2013 compared to ₱29.7 million in 2012. The absence of unrealized foreign exchange losses in 2013 versus ₱5.8 million in 2012 accounted for the bulk of the decrease in expenses.

As a result of the above, total consolidated income before tax in 2013 totalled ₱130.3 million, a slight improvement over the ₱128.9 million in 2012. After provision for income tax, total consolidated net income after tax totalled ₱120.1 million in 2013, a slight improvement over the ₱118.9 million in 2012.

Net income attributable to non-controlling interest, namely minority shareholders of Magellan Capital Holdings Corporation, totalled ₱3.3 million in 2013 compared to ₱2.4 million in 2012.

The Company's financial position is very strong as it has substantial cash resources available to undertake its planned projects. As of December 31, 2013, the Company's consolidated cash and cash equivalent totaled over ₱1.025 billion slightly lower than the level of ₱1.047 billion as of December 31, 2012. The Company and its subsidiary is planning to undertake development of MCHC's land in Fort Bonifacio into an income producing building as well as to acquire income producing properties as well as additional land for development. The Company and its subsidiary are debt free with total consolidated liabilities of ₱25.8 million compared to total equity of ₱1.8 billion as of the end of 2013.

The President's Report was NOTED. There were no questions from the floor and the President and the Board were congratulated anew for the Company's gains in 2013.

VI. PRESENTATION AND APPROVAL OF THE AUDITED FINANCIAL STATEMENTS

Upon motion made and duly seconded, the stockholders approved the Corporation's Audited Financial Statements as of 31 December 2013, copies of which had been distributed to the stockholders prior to the meeting.

VII. RATIFICATION OF CORPORATE ACTIONS TAKEN

Upon motion made and duly seconded, the stockholders approved and ratified the corporate actions taken by the Board of Directors for the previous year as outlined in the Memorandum distributed to the stockholders prior to the meeting.

VIII. ELECTION OF DIRECTORS

The Chairman announced that the table was open for nominations to the Board of Directors for the coming year. This announcement was followed by the nomination and election of the following as members of the Board of Directors and who would act as such until their successors have been duly elected and qualified:

[in alphabetical order]
EMETERIO L. BARCELON, S.J.
FRANCIS L. CHUA
JOHNSON U. CO
JOHNNY O. COBANKIAT
FRANCISCO Y. COKENG, JR.
MARK RYAN K. COKENG
MARY K. COKENG
ROBERT Y. COKENG
JOHNSON TAN GUI YEE
RUFINO B. TIANGCO
ROBERT Y. YNSON

Messrs. Francis L. Chua and Robert Y. Ynson were elected as the independent directors of the Corporation, as required by law.

IX. APPOINTMENT OF EXTERNAL AUDITORS

After discussion and upon motion made and duly seconded, the stockholders approved and ratified the re-appointment of SGV as external auditors of the Corporation for the fiscal year 2014.

X. OTHER MATTERS

The Corporate Secretary stated that, pursuant to a recent SEC directive, the Corporations Articles of Incorporation have to be amended to reflect the specific

principal address of the Corporation. Thus, upon motion made and duly seconded, the following resolution was approved and adopted by the stockholders present and represented constituting more than two-thirds (2/3) of the Corporation outstanding capital stock:

“RESOLVED, that in compliance with SEC Memorandum Circular No. 6, Series of 2014, the principal place of business of the Corporation shall specifically be **Units 3 & 4, 5th Floor, Citibank Center Building, 8741 Paseo de Roxas Street, Salcedo Village, Makati City;**

RESOLVED FURTHER, that conformably with the foregoing, Article III of the Corporation’s Articles of Incorporation is hereby amended to read, thus:

“THIRD: That the place where the principal office of the corporation is to be established or located is at **Units 3 & 4, 5th Floor, Citibank Center Building, 8741 Paseo de Roxas Street, Salcedo Village, Makati City.** *(As amended on 31 July 2014)*”.

XI. ADJOURNMENT

There being no further business to conduct, and upon motion made and duly seconded, the meeting was adjourned.

Certified Correct by:

(ATTY.) FINA C. TANTUICO
Corporate Secretary

Attested By:

ROBERT Y. COKENG
Chairman of the Board