

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

16 July 2019 • Tuesday • 2:30 P.M.

I. ATTENDANCE

The Corporate Secretary, Atty. Fina Bernadette D.C. Tantuico, attested that stockholders owning 388,002,653 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 Bernadette D.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 20 June 2019, 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 80% 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 2018 ANNUAL STOCKHOLDERS' MEETING

Upon motion made and duly seconded, the reading of the minutes of the Annual Stockholders' Meeting held last 26 July 2018, 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 presented his yearly report the highlights of which are as follows:

- (i) The company's consolidated revenue in 2018 decreased to ₱62.8 million from ₱130.8 million in 2017. equity in net earnings of associates decreased from ₱40.9 million in 2017 to a loss of ₱14.0 million in 2018 as Pointwest experienced operating losses due to loss of two major accounts. Interest income decreased from ₱37.4 million in 2017 to ₱33.1 million in 2018 as interest levels have stabilized. A net foreign exchange gain of ₱31.6 million was recorded in 2018 versus ₱7.8 million in 2017 as the Peso continued to decline against foreign currencies which benefitted the foreign exchange denominated bonds and other securities hold by the Registrant and its subsidiary. Rent increased from ₱20.8 million in 2017 to ₱23.2 million in 2018 due to escalation of rental rates and the leasing out of additional condominium units acquired in 2016 and 2017. Loss on disposal of AFS, HTM and FVPL Financial Assets of ₱1.3 million was recorded in 2018 against a gain of ₱3.8 million in 2017. Dividend income increased from ₱2.4 million in 2017 to ₱3.7 million in 2018. Fair value loss on Financial Assets at FVPL was ₱14.2 million in 2018 compared to a gain of ₱17.4 million in 2017.
- (ii) Total consolidated expenses of the Registrant slightly increased to ₱41.9 million in 2018 compared to ₱40.1 million in 2017 due to higher taxes and licenses related to the acquisition of additional investment property and higher other expenses.
- (iii) Total consolidated income before tax in 2018 totaled ₱21.0 million compared to ₱90.8 million in 2017. After provision for income tax, total consolidated net income after tax totaled ₱13.1 million in 2018 compared to ₱79.4 million in 2017.
- (iv) The company's financial position is very strong as it has substantial cash resources available to undertake its planned projects. As of December 31, 2018, consolidated cash and cash equivalent totaled over ₱571.4 million which was lower than the level of ₱753.6 million as of December 31, 2017 due to additional investment in properties and additional investment in financial assets. The company is planning to undertake development of MCHC's land in Fort Bonifacio into an office building as well as to acquire income producing properties as well as additional land for development.
- (v) The company and its subsidiary and affiliates are substantially debt free except for MUDC which has loans and advances from its

principal shareholders. It has more than enough cash resources to meet any expected requirements in the next twelve months. Consolidated cash and cash equivalents at the end of 2018 totaled P571.4 million compared to P753.6 million at the end of 2017 while total current assets totaled P841.8 million at year-end 2018 compared to P986.4 billion at year-end 2017.

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 2018, 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]
CHARLIE K. CHUA
FRANCIS L. CHUA
JOHNSON U. CO
JOHNNY O. COBANKIAT
FRANCISCO Y. COKENG, JR.
MARK RYAN K. COKENG
MARY K. COKENG
ROBERT Y. COKENG
PETER L. KAWSEK, JR.
JOHNSON TAN GUI YEE
RUFINO B. TIANGCO

Messrs. Charlie K. Chua and Peter L. Kawsek, Jr. were elected as the independent directors of the Corporation, as required by law.



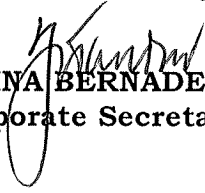
IX. APPOINTMENT OF EXTERNAL AUDITORS

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 2019.


X. ADJOURNMENT

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

Certified Correct by:


(ATTY.) FINA BERNADETTE D.C. TANTUICO
Corporate Secretary

Attested By:


ROBERT Y. COKENG
Chairman of the Board

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Minutes>ASM-16, July 2019