

F & J Prince Holdings Corporation

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING 17 September 2021 • Friday • 2:00P.M. • via Zoom

I. ATTENDANCE

The Corporate Secretary, Atty. Fina Bernadette D.C. Tantuico, attested that stockholders owning 394,266,084 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, in view of the current pandemic, the annual stockholders meeting of the Corporation is being held via the digital platform known as Zoom. Notice to stockholders of record was made through publication in two newspapers of general circulation namely (i) The Manila Times as attested by the Affidavit of Publication of Carmina Lourdes B. Dineros, Auditor of The Manila Times; and (ii) Daily Tribune as attested by the Affidavit of Publication of Mary Ann M. Datoy, Accounting Assistant of Concept and Information Group Inc., publisher of the Daily Tribune.

The Secretary likewise certified that stockholders owning at least 82% of the outstanding capital stock of the Corporation were present via zoom 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 2020 ANNUAL STOCKHOLDERS' MEETING

Upon motion made and duly seconded, the reading of the minutes of the Annual Stockholders' Meeting held last 28 September 2020, 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) Consolidated revenue in 2020 increased to ₱111.8 million from ₱103.3 million in 2019. Equity in net earnings of associates improved to ₱32.1 million in 2020 from ₱5.3 million in 2019 as Pointwest generated a profit of \$1.5 million in 2020 after reporting losses in 2019 and 2018 due to the loss of a major account and revenue reduction from another major account. At the same time, Business Process Outsourcing International (BPOI), the Registrant's other associate showed lower earnings of ₱26.3 million in 2020 from ₱62.8 million in 2019 due mainly to higher expenses caused by the Covid-Pandemic. Interest income decreased to ₱21.2 million in 2020 from ₱36.3 million in 2019 as interest levels have gone down due to monetary easing by monetary authorities. A net foreign exchange loss of ₱28.2 million was recorded in 2020 versus a loss of ₱22.8 million in 2019 as the Peso improved against foreign currencies which penalized the foreign exchange denominated bonds and other securities held by the Registrant and its subsidiary. Rent decreased slightly from ₱25.1 million in 2019 to ₱23.3 million in 2020 due to higher vacancy. Gain on disposal of AFS, HTM and FVPL Financial Assets of ₱21.9 million was recorded in 2020 versus ₱3,435 in 2019. Dividend income decreased to ₱3.7 million in 2020 from ₱4.9 million in 2019. Fair value gain on Financial Assets at FVPL was ₱1.3 million in 2020 compared to ₱27.7 million in 2019 as prices of listed securities improved slightly in 2020.
- (ii) Total consolidated expenses increased to ₱65.8 million in 2020 compared to ₱59.6 million in 2019 due mainly to higher foreign exchange losses. As a result, total consolidated income before tax in 2020 totaled ₱46.1 million compared to ₱43.7 million in 2019. After provision for income tax, total consolidated net income after tax totaled ₱43.4 million in 2020 compared to ₱33.6 million in 2019.
- (iii) Net income attributable to non-controlling interest, namely minority shareholders of Magellan Capital Holdings Corporation, totaled ₱0.4 million in 2020 compared to ₱1.4 million in 2019. Net income attributable to equity holders of the Registrant totaled ₱43.0 million in 2020 compared to ₱32.2 million in 2019.
- (iv) The company's financial position is very strong as it has substantial cash resources available to undertake its planned projects with, consolidated cash and cash equivalent of over ₱523.5 million as of December 31, 2020, compared to ₱582.3 million as of December 31, 2019.
- (v) The company and its subsidiary, MCHC, are 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.

- (vi) The company and its subsidiary are debt free with total consolidated liabilities of P38 million at year-end 2020 compared to P51.7 million at year-end 2019. Total equity amounted to P1.9 billion as of the end of 2020 substantially the same level as at the end of 2019.

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 2019, 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
KATRINA MARIE Y. COKENG
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 appointment of Mendoza, Querido & Co. as external auditors of the Corporation for the fiscal year 2021.


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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