

F & J Prince Holdings Corporation

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING 07 September 2023 • Thursday • 3 P.M. • via Zoom

I. ATTENDANCE

The Corporate Secretary, Atty. Fina Bernadette D.C. Tantuico, attested that stockholders owning 396,645,744 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. Johnson Tan Gui Yee, 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 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) Business Mirror as attested by the Affidavit of Publication of Leonida G. Garcia, Credit and Collection Staff of Business Mirror; 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 2022 ANNUAL STOCKHOLDERS' MEETING

Upon motion made and duly seconded, the reading of the minutes of the Annual Stockholders' Meeting held last 06 October 2022, 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 2022 increased to ₱162.1 million from ₱128.3 million in 2021. Equity in net earnings of associates increased to ₱26.2 million in 2022 from ₱18.9 million in 2021. Interest income decreased to ₱14.6 million in 2022 from ₱18 million in 2021 as interest levels have gone down due to monetary easing by monetary authorities. A net foreign exchange gain of ₱74.5 million was recorded in 2022 versus a loss of ₱30.8 million in 2021 as the Peso devalued against foreign currencies which benefited the foreign exchange denominated bonds and other securities held by the Registrant and its subsidiary. Rent increased slightly from ₱21.9 million in 2021 to ₱23.9 million in 2022. Gain on AFS, HTM and FVPL Financial Assets of ₱13.7 million was recorded in 2022 versus ₱31.6 million in 2021. Dividend income increased to ₱5.7 million in 2022 from ₱4.7 million in 2021.
- (ii) Total consolidated expenses of the company increased to ₱136.4 million in 2022 compared to ₱52.6 million in 2021 due mainly to reversal of Net FX losses to Net FX gains in 2021.
- (iii) As a result of the above, total consolidated income before tax in 2022 totaled ₱25.7 million compared to ₱75.6 million in 2021. After provision for income tax, total consolidated net income after tax totaled ₱19.7 million in 2022 compared to ₱58.6 million in 2021.
- (iv) Net income attributable to non-controlling interest, namely minority shareholders of Magellan Capital Holdings Corporation, totaled to a loss of ₱0.6 million in 2022 compared to a gain of ₱1.4 million in 2021.
- (v) Net income attributable to equity holders of the company totaled ₱20.3 million in 2022 compared to ₱58.6 million in 2021.
- (vi) The company's financial position is very strong as it has substantial cash resources available to undertake its planned projects. As of December 31, 2022, the Registrant's consolidated cash and cash equivalent totaled ₱467.7 million compared to ₱506.5 million as of December 31, 2021. The Registrant and its subsidiary 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. The Registrant and its subsidiary are debt free with total consolidated liabilities of ₱58.1 million at year-end 2022 compared to ₱63.2 million at year-end 2021. Total equity amounted to ₱1.88 billion as of the end of 2022 compared to ₱1.94 billion at the end of 2021.
- (vii) The company and its subsidiary and affiliates are substantially debt free except for MUDC which has loans and advances from its principal shareholders. The company and its subsidiaries have more than enough

cash resources to meet any expected requirements in the next twelve months. Consolidated cash and cash equivalents at the end of 2022 totaled P467.7 million compared to P506.5 million at the end of 2021 while total current assets totaled P750.2 million at year-end 2022 compared to P794.9 million at year-end 2021. Other than the normal fluctuation of the Peso exchange rate as well as the effect of the normal market fluctuations on the value of stock and bond holdings owned by the company and its subsidiary, the company is not aware of any trends, demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in its liquidity increasing or decreasing in any material way.

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 2022, 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 K. COKENG
MARK RYAN K. COKENG
MARY K. COKENG
PETER L. KAWSEK, JR.
JOHNSON TAN GUI YEE
RUFINO B. TIANGCO

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

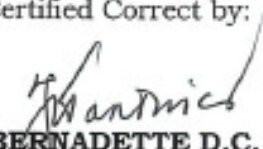
IX. APPOINTMENT OF EXTERNAL AUDITORS

After discussion and upon motion made and duly seconded, the stockholders approved and ratified the appointment of Reyes Tacandong & Co. as external auditors of the Corporation for the fiscal year 2023.


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:


JOHNSON TAN GUI YEE
Chairman of the Board