

FILINVEST DEVELOPMENT CORPORATION

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING

Held on 22 June 2020, at 10:00 a.m.

Conducted virtually *via* Cisco Webex

I. ATTENDANCE

STOCKHOLDERS PRESENT/REPRESENTED:

Present by proxies	7,655,116,233	88.51%
Present by remote communication and voting <i>in absentia</i>	3,373,568	0.04%
Total Attendance	7,658,489,801	88.55%

ALSO PRESENT:

Board of Directors

Name	Position / Board Committees
Mrs. Mercedes T. Gotianun	Chairperson Emerita
Mr. Jonathan T. Gotianun	Chairman of the Board Chairman – Executive Committee Member – Nominations Committee Member – Audit and Risk Management Oversight Committee Member – Compensation Committee Member – Digital Committee
Mrs. L. Josephine Gotianun-Yap	President and Chief Executive Officer Member– Executive Committee Member – Nominations Committee Member – Audit and Risk Management Oversight Committee Member – Compensation Committee Member – Digital Committee
Mr. Andrew T. Gotianun, Jr.	Member – Executive Committee Member – Related-Party Transaction & Corporate Governance Committee
Mr. Michael Edward T. Gotianun	Member – Executive Committee
Ms. Claire A. Huang	Member – Related-Party Transaction & Corporate Governance Committee Chairperson – Digital Committee
Ms. Virginia T. Obcena	Lead Independent Director Chairperson – Audit and Risk Management Oversight Committee Member – Nominations Committee Member – Compensation Committee Member – Related-Party Transaction & Corporate Governance Committee

Atty. Val Antonio B. Suarez	Member – Audit and Risk Management Oversight Committee Chairman – Nominations Committee Chairman – Compensation Committee Chairman – Related-Party Transaction & Corporate Governance Committee
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Key Officers, Senior Management Officers and Other Officers; Subsidiary Heads

Name	Position
Mr. Nelson M. Bona	Executive Vice President/Treasurer and Chief Finance Officer
Mr. Daniel L. Ang Tan Chai	Senior Vice President/ Deputy Chief Finance Officer
Mr. Renato Rex Xavier Marzon	Senior Vice President, Group Chief Digital Officer/ MD of Digital Innovations & Ventures
Ms. Bernadette M. Ramos	Vice President - Group Corporate Marketing
Ms. Virginia A. Cayanga	Vice President for Risk Management and Chief Risk Officer
Atty. Sharon P. Pagaling-Refuerzo	Corporate Secretary and Corporate Information Officer
Ms. Arlene San Juan	Senior Assistant Vice President/Accounting & Finance Head
Ms. Patricia Carmen Pineda	Senior Assistant Vice President, Investor Relations
Mr. Michael Louie T. Garado	Assistant Vice President for Audit and Chief Audit Executive
Mr. Francis Nathaniel C. Gotianun	Senior Vice President, Filinvest Hospitality Corporation
Mr. Tristaneil D. Las Marias	Executive Vice President and Chief Strategy Officer, Filinvest Land, Inc.
Ms. Ana Venus A. Mejia	First Senior Vice President, Treasurer and Chief Finance Officer, Filinvest Land, Inc.
Mr. Francis V. Ceballos	Senior Vice President - Business Group Head, Filinvest Land, Inc.
Mr. Antonio C. Moncupa, Jr.	Vice-Chairman/ President and Chief Executive Officer, EastWest Banking Corp.
Ms. Minda L. Cayabyab	First Vice President and Financial Controller, EastWest Banking Corp.
Ms. Isabelle Gotianun Yap	Director, EastWest Banking Corp.
Mr. Juan Eugenio L. Roxas	President and Chief Executive Officer, FDC Utilities, Inc.

Independent External Auditor

Name	Position
Mr. Michael C. Sabado	Partner-In-Charge, Sycip Gorres Velayo & Co.
Mr. J. Carlitos G. Cruz	Partner
Mr. Wilson P. Tan	Partner
Ms. Wanessa Salvador	Partner
Ms. Jane Carol U. Chiu	Senior Manager
Ms. Caroline Malunas	Associate Director, Assurance
Ms. Maria Vivian Ruiz	Head of Assurance Service Line

II. NATIONAL ANTHEM

The meeting started with the singing of the Philippine National Anthem.

III. PRESIDING OFFICER AND SECRETARY

The Chairman of the Board, of Directors of Filinvest Development Corporation (the "Company"), Mr. Jonathan T. Gotianun, presided over the meeting, while the Corporate Secretary, Atty. Sharon P. Pagaling-Refuerzo, recorded the minutes thereof.

IV. CALL TO ORDER

The Chairman called the meeting to order and requested the Corporate Secretary to report on the service of notice of the meeting, and whether there was a quorum at the meeting.

V. CERTIFICATION OF SERVICE OF NOTICE AND QUORUM

The Corporate Secretary reported that the notice of the meeting, together with copies of the Information Statement and the 2019 Audited and Interim Financial Statements of the Company, were posted on the Company's website and disclosed through PSE EDGE, as well as published, both in print and online, in the business sections of The Philippine Daily Inquirer and Business World on 28 May 2020 and in the Philippine Star and Business Mirror on 29 May 2020.

Based on the online registration and report on proxies received by the Office of the Corporate Secretary, with the assistance of the Company's stock and transfer agent, Stock Transfer Service, Inc., the Corporate Secretary certified that out of the **8,648,462,987** total issued and outstanding shares of the Company as of the record date or on 01 June 2020, **7,658,489,801** shares representing **88.55%** of the total issued and outstanding shares of the Company were present at the meeting.

There being a quorum, the Chairman declared the meeting duly convened and open for business.

VI. INSTRUCTIONS ON THE RULES AND CONDUCT OF VOTING PROCEDURES

The Chairman noted that the Company was holding the meeting in virtual format because of the health crisis; however, the Company endeavored to provide the shareholders the opportunity to participate in the meeting through the online registration and voting *in absentia* system. He then asked the Corporate Secretary to share the rules of conduct and voting procedures for the meeting.

The Corporate Secretary explained that the rules of conduct and voting procedures were set forth in the Definitive Information Statement and in the Explanation of Agenda Items, which form part of the Notice of the Annual Stockholders' meeting. She highlighted the following points:

1. Stockholders who successfully registered under the shareholder registration system were provided the instructions to access the digital voting ballot as well as the virtual meeting.
2. The deadline for voting *in absentia* and through proxy was on 15 June 2020.
3. After the voting, the Office of the Corporate Secretary, together with the stock transfer agent, tabulated all the votes cast *in absentia* as well as *via* proxy;
4. The results of the voting would be reported after each item was taken up during the meeting;
5. The stockholders were also given up to 15 June 2020, to submit any questions or comments they may have.

She further informed all the participants of the meeting that there would be a visual and audio recording of the entire proceedings.

VII. APPROVAL OF THE MINUTES OF THE ANNUAL MEETING OF THE STOCKHOLDERS HELD ON 26 APRIL 2019

The Chairman inquired if copies of the minutes of the annual meeting of the stockholders held on 26 April 2019 were furnished to the stockholders.

The Corporate Secretary certified that an electronic copy of the minutes was included in the notice of this year's annual stockholders' meeting and were made available on the Company's website. She reported that the resolution below was approved by majority of the stockholders based on the following tabulation of votes:

“RESOLVED, That the minutes of the annual meeting of the stockholders of the Company held on 26 April 2019 is hereby approved.”

	FOR	AGAINST	ABSTAIN
Number of Shares Voted	7,655,116,233	-	4
Percentage of Votes	99.96%	-	0.00%

VII. PRESENTATION OF THE PRESIDENT’S REPORT AND RATIFICATION OF THE AUDITED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 31 DECEMBER 2019

The President and Chief Executive Officer of the Company, Mrs. L. Josephine Gotianun-Yap, presented her pre-recorded report on the Company’s operations for the year ended 31 December 2019 and the quarter ended 31 March 2020 based on the Company’s Audited and Interim Financial Statements for the same period, copies of which were made available to all the stockholders of record, together with the Information Statement. The President’s report included the operational and financial highlights of the Company for the year 2019 and the outlook for 2020.

The President also announced to the stockholders that the Board of Directors approved during its special meeting held before the Annual Stockholders’ Meeting on 22 June 2020 the declaration of cash dividends of 13.84 centavos per share. The record date of the said cash dividend is fixed on 22 July 2020, with payment date on 17 August 2020. This constitutes a total cash declaration amounting to Php1.197 billion.

The Chairman thanked the President for her report, then proceeded to the next item in the agenda which was the ratification of the 2019 Audited Financial Statements. He asked the Corporate Secretary if the stockholders were furnished a copy of the 2019 Audited Financial Statements.

The Corporate Secretary responded that an electronic copy of the 2019 Audited Financial Statements was made available on the Company’s website as well as attached to the Information Statement. She reported that the resolution below was approved by majority of the stockholders based on the following tabulation of votes:

“RESOLVED, That the Company’s Audited Financial Statements as of and for the year ended 31 December 2019 be approved, confirmed and ratified.”

	FOR	AGAINST	ABSTAIN
Number of Shares Voted	7,654,600,500	-	515,737
Percentage of Votes	99.95%	-	0.01%

VIII. RATIFICATION OF ALL THE ACTS, RESOLUTIONS AND PROCEEDINGS OF THE BOARD OF DIRECTORS, EXECUTIVE COMMITTEE, OTHER BOARD COMMITTEES AND MANAGEMENT UP TO 22 JUNE 2020

The next item in the agenda was the ratification of all the acts, resolutions and proceedings of the Board of Directors, Executive Committee, other Board Committees and Management from the date of the last annual stockholders’ meeting until 22 June 2020, a summary of which was included as an annex in the Information Statement sent to all the stockholders of record prior to the annual stockholders’ meeting.

The Corporate Secretary reported that the resolution below was approved by majority of the stockholders based on the following tabulation of votes:

“RESOLVED, That all the acts, resolutions and proceedings of the Board of Directors, Executive Committee, other Board Committees and Management from the date of the last annual stockholders’ meeting until 22 June 2020 are hereby approved, confirmed and ratified.”

	FOR	AGAINST	ABSTAIN
Number of Shares Voted	7,654,600,500	-	515,737
Percentage of Votes	99.95%	-	0.01%

IX. ELECTION OF DIRECTORS

The Chairman announced that the next item in the Agenda was the election of seven (7) directors, including three (3) independent directors of the Company for the year 2020 to 2021.

As requested by the Chairman, the Corporate Secretary announced the names of the persons nominated for election as directors and/or independent directors of the Company and who were pre-screened by the Nominations Committee in accordance with the Company’s Revised Manual on Corporate Governance and By-Laws, as follows:

Directors:

1. Mr. Jonathan T. Gotianun
2. Mrs. L. Josephine Gotianun-Yap
3. Mr. Nelson M. Bona
4. Mr. Michael Edward T. Gotianun

Independent Directors:

1. Ms. Claire A. Huang
2. Ms. Virginia T. Obcena
3. Atty. Val Antonio B. Suarez

The Corporate Secretary reported that the resolution below was approved by majority of the stockholders based on the following tabulation of votes:

“RESOLVED, That the following persons are hereby declared as duly elected directors of the Company, to serve for a term of one (1) year or until their successors shall have been elected and qualified in accordance with the By-Laws of the Company:

1. Mr. Jonathan T. Gotianun
2. Mrs. L. Josephine Gotianun-Yap
3. Mr. Nelson M. Bona
4. Mr. Michael Edward T. Gotianun
5. Ms. Claire A. Huang (Independent Director)
6. Ms. Virginia T. Obcena (Independent Director)
7. Atty. Val Antonio B. Suarez (Independent Director)

NOMINEE	FOR	AGAINST	ABSTAIN	Percentage
Jonathan T. Gotianun	7,654,021,573	1,094,670	-	99.94%
L. Josephine Gotianun-Yap	7,654,174,972	941,270	-	99.94%
Nelson M. Bona	7,654,597,563	518,670	-	99.95%
Michael Edward T. Gotianun	7,654,597,572	518,670	-	99.95%
Claire A. Huang	7,655,026,133	90,100	-	99.95%
Virginia T. Obcena	7,655,026,133	90,100	-	99.95%
Val Antonio B. Suarez	7,654,539,363	576,870	-	99.95%

X. APPOINTMENT OF INDEPENDENT EXTERNAL AUDITOR

Upon the recommendation of the Company’s Audit and Risk Management Oversight Committee and confirmed by the Board of Directors, the stockholders approved the reappointment of the accounting firm of Sycip Gorres Velayo and Co. (“SGV”) as the Company’s external auditor for the year 2020, as follows:

“RESOLVED, That the accounting firm of Sycip Gorres Velayo and Co. (SGV) be approved for reappointment as the Company’s external auditor for the year 2020.”

	FOR	AGAINST	ABSTAIN
Number of Shares Voted	7,655,116,233	-	4
Percentage of Votes	99.96%	-	0.00%

XI. OTHER MATTERS

After confirming with the Secretary that there were no other matters that require consideration by the stockholders, the Chairman requested her to read aloud the questions and comments of the stockholders.

There was only one question that came from a stockholder. The question was whether the Company had any plans of raising capital for the year 2020, whether through debt or equity.

The President replied that in mid-March, just before the imposition of the enhanced community quarantine (ECQ), FDC was in the middle of floating an P8 Billion peso-denominated bond. But due to the elevated economic uncertainty at that particular point in time, Management decided, together with the underwriters and bookrunners, to defer the bond offering to a later date.

In April, FDC paid its \$300 Million US dollar bond maturity. Management is considering reviving the bond offering now that the ECQ has been lifted. They are evaluating both Php- or USD-denominated bonds, given the attractive rates.

The business segments in the Group have been on expansion and diversification modes and they shall continue to do so in the future. The Company is also on the lookout for possible acquisitions. To maintain such posture, it is imperative to strike a capital structure with a careful balance of equity and debt.

The President added that the Company is especially keen to raising equity, not only to support the expansion of its subsidiaries but also to unlock its untapped value and share this to the public. Currently, public ownership in FDC is at 10.8%. Providing liquidity and marketability in FDC's shares will no doubt redound to the benefit of all its stakeholders. It is just waiting for the right timing for such an offering.

The Chairman thanked the President for responding to the question. He informed the stockholders that Management would like to share a short video on the efforts and activities undertaken by the Company to support the affected communities during the Taal ashfall and the COVID-19 pandemic.

XIII. ADJOURNMENT

After the video ended, there being no further business to transact, the Chairman declared the meeting adjourned. He conveyed his gratitude to the stockholders for attending the meeting and for their continued trust and confidence in the Company and the Management.

CERTIFIED CORRECT:



SHARON P. PAGALING-REFUERZO
Corporate Secretary

ATTESTED BY:

JONATHAN T. GOTIANUN
Chairman of the Board