

**ROXAS AND COMPANY, INC.**  
**MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING**  
Held on 16 June 2021 at 10:00am  
Via Video Conference

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|  | <b>NUMBER OF<br/>SHARES</b> | <b>PERCENTAGE</b> |
|--|-----------------------------|-------------------|
| <b>Total Number of Shareholders by<br/>Proxy and in Person</b> | <b><u>1,743,838,102</u></b> | <b>79.04%</b>     |
| <b>Total Issued and Outstanding Shares</b>                     | <b>2,206,159,973</b>        | <b>100.00%</b>    |

**PROCEEDINGS**

**I.  
CLOSURE OF REGISTRATION**

The Corporate Secretary, Atty. Peter D.A. Barot, officially declared the registration for the Annual Stockholders' Meeting of Roxas and Company, Inc. closed.

**II.  
CALL TO ORDER**

The Chairman, Mr. Pedro O. Roxas, called the meeting to order and welcomed the attendees to the meeting. The Assistant Corporate Secretary, Atty. Monica Isabelle I. Villanueva, recorded the minutes of the meeting.

**III.  
CERTIFICATION OF NOTICE AND QUORUM**

The Corporate Secretary, Atty. Peter D.A. Barot certified that the Notices, the Agenda, the Information Statement (SEC Form 20-IS), and the Annual Report were sent to all stockholders in accordance with the Securities Regulations Code, SEC Notice dated March 16, 2021 and Memorandum Circular No. 6, Series of 2020 of the Securities and Exchange Commission. He certified, that there were present, in person or by proxy, stockholders representing **79.04%** or **1,743,838,102** shares of the total issued and outstanding shares of the Company, and that a quorum exists for the valid transaction of business in the meeting.

**IV.  
READING AND APPROVAL OF THE MINUTES OF THE PREVIOUS  
ANNUAL MEETING OF THE STOCKHOLDERS HELD ON 12 AUGUST 2021**

The Chairman proceeded to the next item in the agenda which is the reading and approval of the Minutes of the Annual Stockholder's Meeting held on 12 August 2020. Copies of the minutes were distributed to the stockholders by posting the same on the company's website. These have been published since August 17, 2020 on the company website.

The Chairman stated that a vote was taken in absentia for the approval of the Minutes of the Annual Stockholder's Meeting held on 12 August 2020. The Corporate Secretary then reported that based on the votes taken and cast in absentia, 100% of the shareholders present in person or by proxy voted to approve the Minutes of the Meeting held on 12 August 2021.

**V.**  
**PRESENTATION AND APPROVAL OF THE ANNUAL REPORT OF MANAGEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

The Chairman presented the Annual Report for the calendar year 31 December 2020 to the shareholders. Copies of the Annual Report were furnished to the stockholders prior to the meeting and published in the Company's website.

The Chairman's Message

Mr. Pedro O. Roxas delivered his message to the stockholders. He expressed that the year 2020 was an extraordinary year worldwide because for the first time in a hundred years, countries had to close their borders, businesses had to shut down, people were locked into their homes for months. Needless to say, the COVID-19 pandemic shuttered down businesses at an unprecedented scale.

He went on to explain that even prior to the lockdown in March, Anya Resort Tagaytay had to temporarily close because of the Taal volcano eruption and that shortly thereafter, the government placed the whole Philippines under Enhanced Community Quarantine, causing operations of all business units to temporarily shut down. He added that this put a damper to the Company's path to recovery and growth. However, while the circumstances were not ideal, the whole Roxas Group was forced to quickly adapt to the current circumstances. Among the initiatives taken were to: re-purposed the Go Hotels franchises into quarantine facilities, adjusted the market for Anya Resorts Tagaytay to target NCR Plus residents looking for Staycation options, used the temporary shutdown of the plant in Tupi, South Cotabato to make the necessary improvements in plant and equipment, continued to focus on selling non-core assets to reduce debt since this is not the right environment to pursue new real estate developments, looked for alternative fund-raising activities, such as the Put Option Agreement with LDA Capital Limited.

Mr. Roxas also stated that while the Company's road-map appears to have changed on the surface yet again, the main goals of the Group remain the same – to deleverage, reduce costs and achieve profitability in operations. He believes that so long as we continue to work towards these objectives, the team is confident that we will find a way to weather this storm. He then asked for the support of all of the stakeholders.

He then thanked each and every one of the stockholders for their continued faith and trust, as well as the Board of Directors and the RCI Team.

The Chairman then turned over the floor to the incoming President and CEO, Mr. Edgar P. Arcos, for his report.

President and CEO's Report/Message

Mr. Edgar P. Arcos, the incoming President and CEO of RCI took the floor to deliver the President's Report, as follows:

“The Taal volcano eruption in early 2020, the 15 months (and counting) of Covid-19, a deep and prolonged recession, and major shifts in consumer preferences deflated demand for our products and services. But it also created opportunities for some of our businesses.

Foremost on our priorities was to secure the safety of our employees. Several front-liners and support teams tested positive or were exposed but spared from severe cases. We had no fatalities. Our systems and compliance to health protocols helped. We continue to monitor our operations and are constantly communicating with our teams, both in the office and in work from home arrangements.

We prioritized the delivery of our customer promise in the hospitality, realty, hotel management, and coconut processing units. It was not easy as revenue streams and supply chains became uncertain and inconsistent. Our budget assumptions were shattered but we remained steadfast in protecting shareholder value. We developed a framework to preserve cash, renegotiate our loans, seek alternative source of financing, and challenge discretionary spending. We are transitioning to a performance-based culture with specific, measurable, achievable, realistic, and time-bound targets.

We pivoted our four budget Go Hotels and transitioned to quarantine facilities, providing steady earnings while supporting the country’s battle against the pandemic. Our Anya Hotel in Tagaytay re-emerged from a six-month closure to deliver first class room, F&B, and relaxation offers to NCR plus clients, earning a tourism award along the way. The Realty industry was one of the worst affected sectors, resulting in delays in Roxaco Land’s asset sales that we eventually closed in early 2021. Finally, the coconut manufacturing in Tupi, South Cotabato reached new sales milestones but faced escalating raw material prices and low working capital. RHI, where we have a minority share, had a challenging 2020. Despite our interventions, revenues at P500m was 36% lower than 2019. Net loss in 2020 stood at P1.15b vs. net income after tax of P176m in 2019 as a result of the difficult business environment, equity loss on investment, various provisions, partly offset by fair value gain on property.”

**CONSOLIDATED STATEMENT OF INCOME**  
For the period ended 31 December 2020



| (in Php M)                 | 2020           | 2019        | Inc(Dec)     |
|----------------------------|----------------|-------------|--------------|
| SALES                      | 500            | 782         | -36%         |
| COST OF SALES              | (443)          | (454)       |              |
| <b>GROSS PROFIT</b>        | <b>57</b>      | <b>328</b>  | <b>-83%</b>  |
| <b>GP Margin</b>           | <b>11%</b>     | <b>42%</b>  |              |
| OPERATING EXPENSES         | (489)          | (404)       |              |
| <b>OPERATING LOSS</b>      | <b>(431)</b>   | <b>(75)</b> | <b>472%</b>  |
| OTHER INCOME               | 38             | 203         |              |
| <b>EBIT</b>                | <b>(394)</b>   | <b>127</b>  | <b>-410%</b> |
| FAIR VALUE GAIN            | 398            | 763         |              |
| EQUITY LOSS - RHI          | (938)          | (388)       |              |
| INTEREST EXPENSE           | (230)          | (259)       |              |
| LOSS DISCONTINUED OPS.     | (36)           | (77)        |              |
| INCOME TAX EXP. (BENEFITS) | (49)           | (9)         |              |
| <b>NET INCOME (LOSS)</b>   | <b>(1,150)</b> | <b>176</b>  | <b>-755%</b> |
| <b>EBITDA</b>              | <b>(240)</b>   | <b>288</b>  |              |

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
For the period ended 31 December 2020



| (in Php M)            | 2020   | 2019   | Inc(Dec) | (in Php M)                            | 2020    | 2019    | Inc(Dec) |
|-----------------------|--------|--------|----------|---------------------------------------|---------|---------|----------|
| <b>ASSETS</b>         |        |        |          | <b>LIABILITIES</b>                    |         |         |          |
| Current assets        |        |        |          | Current liabilities                   |         |         |          |
| Cash & Receivables    | 303    | 408    | -26%     | Short & current portion-loans         | 519     | 1,695   | -69%     |
| Inventories           | 573    | 574    | 0%       | Trade and other payables              | 929     | 814     | 14%      |
| Other current assts   | 292    | 259    | 13%      | Liab. Assoc. w/ assets held for sales | 397     | 232     | 71%      |
| Asset held for sales  | 606    | 374    | 62%      | Total current liabilities             | 1,846   | 2,741   | -33%     |
| Total current assets  | 1,775  | 1,615  | 10%      | Non-current liabilities               |         |         |          |
| Non-Current           |        |        |          | Long-term loans                       |         |         |          |
| Investment in shares  | 1,149  | 1,997  | -42%     | Other non-current liab.               | 204     | 241     | -15%     |
| Investment properties | 6,413  | 6,011  | 7%       | Total non-current                     | 2,921   | 2,280   | 28%      |
| Property & equipment  | 2,705  | 3,581  | -24%     | TOTAL LIABILITIES                     | 4,766   | 5,021   | -5%      |
| Other non-current     | 417    | 361    | 16%      | EQUITY                                |         |         |          |
|                       | 10,684 | 11,949 | -11%     | Capital stocks                        | 5,303   | 5,392   | -2%      |
| TOTAL ASSETS          |        |        |          | Treasury shares                       |         |         |          |
|                       | 12,459 | 13,564 | -8%      | Retained earnings                     | (1,217) | (1,464) | -17%     |
|                       |        |        |          | TOTAL EQUITY                          |         |         |          |
|                       |        |        |          | TOTAL LIAB & EQUITY                   |         |         |          |
|                       |        |        |          | 12,459 13,564 -8%                     |         |         |          |

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He continued on so report that the acceleration of vaccination is welcome news and bodes well for mobility, a further flattening of the virus curve, and mitigating the economic shock. But as we learned, there is no room for complacency as possible new variants, spike in cases, and backsliding into lockdowns can derail the gains we've made. We are drawing commercial and people plans to prepare for these scenarios.

He thanked the previous CFO, Mr. Mando Escobar, and former President/CEO, Nando Gaspar, for their guidance. He also expressed gratitude to the Board of Directors and the ExCom for their support. Finally, he addressed the Management Teams of the Roxas companies and said that he is encouraged by the warm welcome, the healthy challenge, and the openness to collaborate.

He ended by saying that we will beat the economic uncertainty by further deleveraging through sale of none-core assets, strategic cost leadership, manufacturing and service excellence, productivity initiatives, and innovation. He added that the team does not expect a return to normal when Covid-19 eases as our landscape has already been permanently changed by the unprecedented events of 2020 and 2021 but that the team foresees a hybrid world with different challenges, tasks and outcomes. He assured the stockholders that they will lead with purpose and provide clear directions amidst the many unknowns in order to deliver the promises for 2021 and beyond.

After the President's message and report, the Chairman stated that a vote was taken in absentia for the approval of the Annual Report for the period ended 31 December 2020. The Corporate Secretary then reported that based on the votes taken and cast in absentia, 100% of the shareholders present in person or by proxy voted to approve and ratify the Annual Report.

**VI.**  
**RATIFICATION OF ALL ACTS, PROCEEDINGS AND RESOLUTIONS OF THE BOARD OF DIRECTORS AND MANAGEMENT SINCE THE ANNUAL STOCKHOLDERS' MEETING ON 12 AUGUST 2021**

The next item on the Agenda was the ratification of all acts of management and the Board from 12 August 2021 up to the present. The Chairman added that these acts and resolutions were disclosed in the Information Statement on SEC Form 20-IS which was published on PSE Edge and posted on the Company's website.

The Chairman reported that a vote was taken in absentia for the ratification of all acts, proceedings and resolutions adopted by the Board of Directors and Management since the Annual Stockholders' Meeting on 12 August 2021. Atty. Barot then confirmed that based on the votes taken and cast in absentia, 100% of the shareholders present in person or by proxy voted to approve and ratify the acts of the Board and Management.

## **VII. ELECTION OF THE BOARD OF DIRECTORS**

The next item on the agenda was the election of the Board of Directors. The Chairman reported that pursuant to Sec. 3, Article III of the By-Laws of the company, nominations for the election of members of the Board of Directors should be submitted to the Chairman of the Board of Directors at least 15 working days prior to any meeting of the shareholders called for the election of the Directors. The following persons, whose qualifications were set forth in the Information Statement provided to shareholders, have been nominated and endorsed by the Nominations Committee for election to the Board of Directors of the Corporation:

1. Mr. Gerardo C. Ablaza Jr. (Independent)
2. Mr. Edgar P. Arcos
3. Ms. Corazon S. De La Paz-Bernardo (Independent)
4. Mr. Francisco Jose R. Elizalde
5. Mr. Santiago R. Elizalde
6. Mr. Aurelio R. Montinola III (Independent)
7. Mr. Pedro O. Roxas

The Chairman reported that a vote was taken in absentia for the election of the following nominees to the Board of Directors of the Company:

1. Mr. Gerardo C. Ablaza Jr. (Independent)
2. Mr. Edgar P. Arcos
3. Ms. Corazon S. De La Paz-Bernardo (Independent)
4. Mr. Francisco Jose R. Elizalde
5. Mr. Santiago R. Elizalde
6. Mr. Aurelio R. Montinola III (Independent)
7. Mr. Pedro O. Roxas

Atty. Barot then confirmed that based on the votes taken and cast in absentia, 100% of the shareholders present in person or by proxy voted to elect the above-named nominees to the Board of Directors of the company to serve as such until the next annual meeting of the shareholders.

On behalf of the other members of the Board, the Chairman thanked the stockholders for their continuing trust and confidence. He also expressed his gratitude to Messrs. Fernando L. Gaspar and Guillermo D. Luchangco for their valuable contributions to the Board of Roxas and Company, Inc.

**VIII.**  
**ELECTION OF EXTERNAL AUDITORS**

The Chairman asked the Chairperson of the Audit and Risk Committee to take the floor for the next item in the agenda, which was the Election of External Auditors. Director Corazon De La Paz-Bernardo, Chairperson of the Audit and Risk Committee, stated that in accordance with the Company's Manual on Corporate Governance, the Board of Directors, after consultation with the Audit and Risk Committee, recommends the election of the auditing firm of Sycip Gorres Velayo and Co. otherwise known as SGV & Co., as external auditors of the company for the calendar year 2021.

The Chairman reported that a vote was taken in absentia for the election of SGV & Co. as the company's external auditor for the calendar year 2021. Atty. Barot then confirmed that based on the votes taken and cast in absentia, 100% of the shareholders present in person or by proxy voted to elect SGV & CO. as the Company's external auditors for the calendar year 2021.

**IX.**  
**OTHER MATTERS**

The Chairman stated that as provided in the procedure published for the conduct of the virtual meeting, all shareholders were requested to send their queries or comments to the Company's Investor Relations Officer on or before 9:00 a.m. of June 16, 2021. He then asked the Investor Relations Officer, Atty. Monica Villanueva, to read out any questions sent by the shareholders

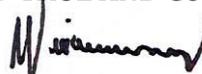
Atty. Villanueva confirmed that she did not receive any questions from shareholders for discussion in today's meeting.

Since there were no questions, the Chairman advised the stockholders that a link to the recorded webcast of the ASM will be posted on the Company's website after the Meeting. Stockholders shall have two weeks from posting to raise to the Company any issues, clarifications and concerns on the Meeting conducted. For any clarifications, shareholders may contact the Investor Relations Officer, Atty. Villanueva.

**X.**  
**ADJOURNMENT**

There being no other matter left for discussion, the Chairman adjourned the Annual Stockholders' Meeting.

**CERTIFIED TRUE AND CORRECT:**



**ATTY. MONICA ISABELLE I. VILLANUEVA**  
Assistant Corporate Secretary