

**MINUTES OF THE 2018 ANNUAL GENERAL STOCKHOLDERS' MEETING
OF ALLIANCE SELECT FOODS INTERNATIONAL, INC.**
PSE Auditorium,
**Ground Floor, Philippine Stock Exchange Centre,
Exchange Road, Ortigas Center, Pasig City, Metro Manila**
On July 4, 2018, Wednesday at 2:30 p.m.

Directors Present:

1. **Mr. Antonio C. Pacis**, Chairman;
2. **Mr. Raymond K.H. See**, Director, President & CEO
3. **Mr. Erwin M. Elechicon**, Independent Director;
4. **Mr. Joseph Peter Y. Roxas**, Director; and
5. **Mr. Dobbin A. Tan**, Independent Director

Also Present:

1. **Atty. Barbara Anne C. Migallos**, Corporate Secretary;
2. **Atty. Ma. Kristina P. Ambrocio**, Assistant Corporate Secretary
3. **Ms. Lisa Angela Y. Dejadina**, Senior Vice President

I. CALL TO ORDER

At 2:40 p.m., the Chairman of the Board of Directors, Atty. Antonio C. Pacis, called the meeting to order and presided over the same. The Chairman introduced the Directors and Senior Officers present at the meeting. The shareholders were also informed of the presence of representatives of Reyes Tacandong & Co., the Company's independent external auditors for 2017.

II. PROOF OF NOTICE OF MEETING

The Chairman asked the Corporate Secretary if notices of the meeting were properly sent.

The Corporate Secretary, Atty. Barbara Anne C. Migallos, certified that Notices of the Annual Stockholders' Meeting, together with the Agenda and the Information Statement, all duly approved by the Securities and Exchange Commission (SEC), were released for distribution to shareholders not later than June 11, 2018, within the period prescribed under the implementing rules of the Securities Regulation Code.

III. CERTIFICATION OF QUORUM

The Chairman then asked the Corporate Secretary if there was a quorum for the transaction of business for which the meeting was called. The Corporate Secretary informed the body that there were present, in person or represented by proxy, shareholders holding **2,141,355,384 common shares**, representing **85.66%** of the outstanding capital stock of the Company. Accordingly, there was a quorum for purposes of the Meeting.

VOTING PROCEDURE

The Corporate Secretary then announced the voting procedure for the Meeting.

The required quorum for the Meeting is the presence, in person or by proxy, of stockholders holding a majority of the outstanding capital stock. In order to approve an item on the agenda, the affirmative vote of at least a majority of those present is required. There are no items on the Agenda that require a higher quorum as provided in the Corporation Code. In the election of directors, candidates receiving the highest number of votes shall be declared elected.

The voting is conducted by balloting. Ballots were provided to shareholders and designated proxies upon registration. Where a shareholder designated a proxy, the proxy must vote in accordance with the stockholders' instructions, which instructions are indicated in the proxy submitted to the Company.

The proxy form distributed to the shareholders contained each item on the Agenda that requires the shareholders' vote. There are spaces for YES, NO or ABSTAIN, and the shareholder indicates how he wants his shares to be voted. For the election of directors, the names of all nominees are in the proxy form with three options: (1) VOTE FOR ALL; (2) WITHHOLD VOTE FOR ALL; and (3) WITHHOLD VOTE FOR CERTAIN NOMINEES, with space provided for names of nominees not being voted for.

The Company's stock transfer agent, Stock Transfer Services, Inc., under the supervision of the Corporate Secretary and Assistant Corporate Secretary, are responsible for the tabulation of votes. The votes cast for each item will be announced when that particular item is taken up by the body. The voting results shall also be made available on the Company's website.

GENERAL PROTOCOL

For fair, orderly, and efficient proceedings, the Corporate Secretary also explained the general protocol that shall be observed for the Meeting.

Only stockholders and duly designated proxies are entitled to take the floor to make a comment or ask questions at the Meeting. A stockholder or proxy who wants to comment or ask a question is requested to give his name, and to state for the record that he is a stockholder or proxy, as the case may be. The stockholder or proxy must first be recognized by the Chairman before he can have the floor.

The comments and questions from the stockholders or their proxies must be relevant to the particular item in the agenda being discussed. Also, a stockholder or proxy recognized by the Chairman shall be given a maximum of two (2) minutes to make a comment or ask a question for each item on the Agenda. After his comment or question has been responded to or addressed, he shall be given a maximum of one (1) minute to respond or make a follow up comment.

Stockholders and proxies must observe proper decorum and due courtesy during the meeting. Any person who fails to follow the general protocol as stated may be declared out of order and may be barred from further participation in the proceedings and/or be escorted out from the venue.

IV. APPROVAL OF THE MINUTES OF THE PREVIOUS STOCKHOLDERS' MEETINGS

The Chairman proceeded to the first business item on the agenda, the reading and approval of the Minutes of the 2017 Annual General Meeting of Stockholders held on June 15, 2017, and the Special Stockholders' Meeting held on September 7, 2017. Copies of the said Minutes were provided to the shareholders upon registration. Copies of the said Minutes are also available for viewing on the Company's website.

Mr. Paolo Panelo, a proxy, moved that the reading of the Minutes of the 2017 Annual General Meeting of Stockholders held on June 15, 2017, and the Special Stockholders' Meeting held on September 7, 2017 be dispensed with, and that the said Minutes be approved. The motion was seconded.

The Chairman requested the Corporate Secretary to inform the body of the votes of the shareholders on the approval of the Minutes. The Corporate Secretary reported that shareholders holding **1,770,878,972 common shares**, representing **70.84%** of the Company's outstanding capital stock voted YES to the approval of the Minutes of the 2017 Annual General Meeting of Stockholders held on June 15, 2017, and the Special Stockholders' Meeting held on September 7, 2017. The Chairman thus declared said Minutes approved.

The Corporate Secretary noted that shareholders holding 370,476,411 common shares, representing 14.82% of the Company's outstanding capital stock abstained from voting. There was also 1 vote against the approval of the Minutes.

V. ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

The next item on the agenda was the approval of the Annual Report, together with the Audited Financial Statements and the notes thereto for the year ended December 31, 2017. Copies of the 2017 Audited Financial Statements and the Annual Report were provided to the shareholders prior to the meeting together with the Information Statement.

The Chairman requested Mr. Raymond K.H. See, the Company's President & Chief Executive Officer, to present the highlights of the Annual Report.

Mr. See said that for the first time since 2011 the Company generated a positive net income after tax of \$1.6 million. He presented a slide showing the gradual decrease in losses from 2014 to 2016, and that the Company finally generated a positive net income after tax in 2017.

A slide showing net sales from 2014 to 2017 was presented. Mr. See noted that in 2017, net sales totaled \$72.192 million, which was an improvement from 2015 and 2016, but lower than 2014's \$81.262 million. Mr. See said that the Company generated a positive net income despite lower net sales relative to 2014 because of improved cost performance.

For the first quarter of 2018, Mr. See reported that the Company has hit net income after tax of over \$1 million for the first time in its history. Net income after tax for the first quarter was at \$1.3 million from net revenues of \$23.651

million. This is a tremendous improvement from the \$127 million net income after tax reported for the same period last year. He presented a chart showing the Company's first quarter performance from 2014 to 2018, and a slide comparing Q1 2018 and Q1 2017.

Mr. See then discussed the Company's products in the Philippine market. He noted that the Company is known to be a private label tuna canning company, with clients in Europe, Middle East, Japan, and soon in the US. Locally, however, the Company has forayed into the salmon business.

The Company has 4 salmon brands: Akaroa, Prime New Zealand, Gold Standard and Superfish.

Akaroa is harvested fresh from New Zealand. This is air flown to the Philippines chilled and never frozen. This is available in a few restaurants such as Antonio's in Tagaytay and Wildflour, and in a few Rustans supermarkets.

Prime New Zealand is the Company's brand for King salmon, the best salmon specie in terms of quality. This is available in most supermarkets, and soon in warehouse clubs.a

Gold Standard is the Company's smoked salmon brand. The product line includes smoked slices, peppered smoked slices and gravlax. Mr. See said that more products will be introduced.

The Superfish brand features a product line of collars, cuts, and strips among others.

Mr. See showed pictures of the packaging of all four brands, and the various products for each brand.

He said that the goal is to increase coverage in supermarkets. Supermarket coverage of the Company's products has grown by 60% since 2015.

Mr. See then presented 2017 highlights on People, Sales, Operational Excellence and Cost Efficiency.

On People, he said clear financial and non-financial Key Performance Indicators have improved individual and team performance. Regular staff engagements have promoted inclusive culture and shared accountability on the Company's performance. Talent development was improved with on and off the job training.

On Sales, growth in sales volume and revenue in export and domestic markets both in tuna and salmon segments were sustained. There was a rapid expansion in supermarkets for BGB and Spence. Sales volume and branches covered grew by almost 200%. The Company continued to penetrate the hotels, restaurant and catering accounts. Partnerships with key accounts were established to sustain performance.

On Operational Excellence, the Company is beginning to realize benefits from the SAP in terms of visibility and accessibility of information for faster and better informed decision-making. Key capital expenditures were made consistent with process simplification initiatives for sustainable operational improvement. New product lines were introduced in 2017 including frozen tuna loins, value-added canned tuna, and smoked salmon products to cater to current market

trends. Collaboration efforts across plants were pushed to maximize resources and plant capacities.

On Cost Efficiency, cost reduction and avoidance measures across the business were continued. Improvements in end-to-end processes continued to be pursued to ensure cost competitiveness. The Company benefitted from improved relationships with suppliers allowing better access to materials resulting in stringent price-cost matching.

Open Forum

Before the Chairman entertained questions regarding the report, he reminded the shareholders and proxies of the general protocol for the meeting. He then opened the floor for questions or comments from stockholders.

Ms. Katherine King Kay, proxy for stockholders Harvest All Investment Harvest All Investment Limited, Victory Fund Limited, Bondeast Private Limited, Albert Hong, Chandra Das and Hedy S.C. Yap Chua, made a comment on the Company's records pertaining to its 80% subsidiary Akaroa Salmon New Zealand Ltd. ("Akaroa"). Ms. King Kay said that the stockholders she represents recently requested to inspect the Company's records on Akaroa, which request the Company complied with. She observed that the Company's Akaroa documents were limited considering the length of time that the Company has had Akaroa as a subsidiary. She noted that the minutes of Akaroa Board meetings in the Company's possession were not signed. Ms. Kay said that she hopes that in the future, the Company, as a matter of good corporate governance, improves its record keeping with respect to its Akaroa investment.

The Chairman responded by saying that Ms. King Kay's comments and observations are duly noted.

Mr. Stephen Soliven, a stockholder, said that the Company's cash substantially declined in 2017, while inventory, particularly, raw and packaging materials, substantially increased. He asked whether the Company can have a more efficient allocation of these resources.

Mr. See said that this is the nature of the business, especially on the canned tuna side. The Company purchases raw materials upon receipt of orders. Orders are released two months after they are placed. The Company is looking to improve this but this has been the practice for some time.

There being no other comments or questions, Mr. Emil Cuyugan, a proxy, moved that the Annual Report together with the Audited Financial Statements and the notes thereto for the year ended December 31, 2017 be approved, ratified, and confirmed. The motion was seconded.

The Chairman requested the Corporate Secretary to inform the body of the votes cast in favor of the approval of the Annual Report and the Audited Financial Statements for 2017. The Corporate Secretary reported that shareholders holding **1,770,878,972 common shares**, representing **70.84%** of the Company's outstanding capital stock, voted YES to the approval of the Annual Report and the Audited Financial Statements and the notes thereto for the year ended December 31, 2017. The Chairman declared said Annual Report and the Audited Financial Statements and the notes thereto approved.

The Corporate Secretary noted that shareholders holding 370,435,889 common shares (or 14.82%) voted against the approval of the said Annual Report and the Audited Financial Statements. Shareholders holding 40,532 common shares abstained.

VI. RATIFICATION AND APPROVAL OF ACTS OF BOARD OF DIRECTORS AND EXECUTIVE OFFICERS FOR THE CORPORATE YEAR 2017-2018

The next item on the agenda was the ratification and approval of the acts of the Board of Directors and the executive officers of the Company for the corporate year 2017-2018. The major actions of the Board and the executive officers for the past year are summarized in the Information Statement, which were distributed to the shareholders before the meeting. All Board actions are reflected in the Minutes of Meetings of the Board which were available for inspection.

Ms. Angela Bascara, a proxy, moved for the approval, ratification and confirmation of all acts made or taken by the Board of Directors and executive officers of the Company for the corporate year 2017-2018. The motion was duly seconded.

At the Chairman's request, the Corporate Secretary informed the body of the votes of the stockholders on the matter. The Corporate Secretary reported that shareholders holding **1,770,878,972 common shares**, representing **70.84%** of the Company's outstanding capital stock, voted YES to the ratification and approval of all acts made or taken by the Board of Directors and Executive officers of the Company for the corporate year 2017-2018. The acts made or taken by the Board of Directors and executive officers of the Company during the said corporate year were thus approved.

The Corporate Secretary noted that shareholders holding 370,435,889 common shares (or 14.82%) voted against, while shareholders holding 40,532 common shares abstained.

VII. APPOINTMENT OF INDEPENDENT AUDITORS

The Chairman took up the next item on the Agenda which is the appointment of the Company's independent auditors. He said that the Audit Committee and the Board of Directors recommended the appointment of Reyes Tacandong & Co., as independent auditors of the Company for 2017.

Ms. Daneia Palad, a proxy, moved for the appointment of Reyes Tacandong & Co. as independent auditors of the Company for 2018. The motion was duly seconded.

At the Chairman's request, the Corporate Secretary informed the body that shareholders holding **1,770,868,599 common shares**, representing **70.84%** of the Company's outstanding capital stock voted YES to the appointment of Reyes Tacandong & Co. as the independent external auditor of the Company for 2018. The Chairman thus declared the appointment of Reyes Tacandong & Co. as independent auditors of the Company for 2018 as duly approved.

The Corporate Secretary noted that shareholders holding 370,435,889 common shares (or 14.82%) voted against, while shareholders holding 50,896 common shares abstained.

VIII. ELECTION OF DIRECTORS, INCLUDING INDEPENDENT DIRECTORS

The next item on the agenda is the election of directors for the ensuing year. There are seven (7) seats to be filled, where two (2) of the directors to be elected must be independent directors. The Corporate Secretary was then requested to read the names of the nominees.

The Corporate Secretary reported that there were seven (7) nominees for the seven (7) seats on the Company's Board of Directors for election at the Annual Stockholders' Meeting. Two (2) of the seven (7) nominees are for independent directors. The Nominations Committee screened the nominees and prepared a final list of candidates, which was incorporated in the Information Statement for today's Meeting. The following are the nominees:

For regular director:

1. Mr. Antonio C. Pacis;
2. Mr. Raymond K.H. See;
3. Ms. Marie Grace T. Vera Cruz;
4. Mr. Joseph Peter Y. Roxas; and
5. Mr. Gabriel A. Dee

For independent director:

1. Mr. Erwin M. Elechicon; and
2. Mr. Dobbin A. Tan

The Chairman asked the Corporate Secretary to inform the body of the votes cast for each of the seven (7) nominees to the Company's Board of Directors. The Corporate Secretary reported that each of the seven (7) nominees for the seven (7) seats on the Board received more than sufficient votes to elect each of them as Director of the Company.

The final vote tally for the election of directors will be posted on the Company's website together with the Minutes of the Meeting.

The Chairman thus declared all of the seven (7) nominees as duly elected members of the Company's Board of Directors.

At this time, the Chairman, on behalf of the Company, thanked Mr. George E. Sycip for his exemplary service and valuable contributions as former Chairman, Vice Chairman and Director of the Company. He said that the Company wishes only the best for Mr. Sycip in his future endeavors.

IX. OTHER MATTERS

The Chairman asked whether there were other matters that stockholders wanted to take up at the meeting.

Ms. Andrea Sese-Relucio, proxy for stockholders Harvest All Investment Harvest All Investment Limited, Victory Fund Limited, Bondeast Private Limited,

Albert Hong, Chandra Das and Hedy S.C. Yap Chua, said that the Department of Justice recently came out with a resolution finding probable cause to charge certain current and former directors and officers of the Company for a violation of Section 74 of the Corporation Code on stockholders' access to corporate records. Ms. Sese-Relucio asked why the Company did not update the Information Statement to reflect the said resolution, which was released on 25 June 2018.

The Corporate Secretary, Atty. Migallos, explained that the applicable rules require the Company to obtain SEC approval of the Information Statement, and to distribute the said Information Statement some time before the date of the Stockholders' meeting. The Company obtained the said SEC approval and distributed the Information Statement well before the 25 June 2018 release of the DOJ resolution referred to. Atty. Migallos also clarified that the Company is not a party to the said case, which was brought against current and former directors and officers of the Company in their personal capacities.

Ms. Sese-Relucio asked why the Company did not make a disclosure regarding the DOJ resolution other than its response to a PSE directive to comment on a news article regarding the said DOJ resolution. Atty. Migallos said that in determining whether a disclosure should be made, the Company follows the disclosure rules prescribed by the PSE. She reiterated that the Company is not a party to the inspection case referred to by Ms. Sese-Relucio. With respect to the news article, Atty. Migallos commented that she was concerned about how the facts were presented to the public. She said that presentation of facts of the case should be a matter of conscience for the author.

X. ADJOURNMENT

There being no other matters to discuss, and upon motion duly made and seconded, the Chairman declared the meeting adjourned at 3:10 p.m.

Prepared by:

BARBARA ANNE C. MIGALLOS
Corporate Secretary

Attest:

ANTONIO C. PACIS
Chairman of the Meeting