

**MINUTES OF THE
2022 ANNUAL GENERAL STOCKHOLDERS' MEETING OF
ALLIANCE SELECT FOODS INTERNATIONAL, INC.**

Held via remote communication via Zoom webinar platform
on 15 June 2022, Wednesday, at 2:00 p.m.

Shareholders present:

Registered online or represented by proxy: shareholders holding 82.39% of the Company's outstanding capital stock.

Directors Present:

1. Atty. Gabriel A. Dee, Vice-Chairman
2. Mr. Raymond K.H. See, Director

Directors Present via Remote Communication:

3. Atty. Antonio C. Pacis, Chairman
4. Atty. Rena M. Rico-Pamfilo, Director
5. Mr. Joseph Peter Y. Roxas, Director
6. Mr. Domingo C. Go, Independent Director
7. Mr. Dobbin A. Tan, Independent Director

Also Present:

1. Atty. Barbara Anne C. Migallos, Corporate Secretary
2. Ms. Lisa Angela Y. Dejadina, Senior Vice President – Business Development and Operational Excellence; Chief Risk Officer
3. Ms. Maria Carolyn Angeles, Treasurer; Group Head of Finance
4. Atty. Phoebe Ann S. Bayona, Assistant Corporate Secretary; Compliance Officer

I. CALL TO ORDER

Atty. Gabriel A. Dee, the Vice Chairman of the Board of Directors of Alliance Select Foods International, Inc., acted as Chairman and called the meeting to order at 2:00 p.m. The Chairman greeted the stockholders present and welcomed them to the 2022 Annual Stockholders' Meeting of the Company.

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 2021, and Stock Transfer Services, Inc. (STSI), the Company's stock transfer agent.

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 the Notice with Agenda of the Annual Stockholders' Meeting was posted on the Company's website and was published in print and online in Manila Times and Daily Tribune, all for two (2) consecutive days, on 25 and 26 May 2022, and was disclosed to the Securities and Exchange Commission (SEC) and the Philippine Stock Exchange (PSE). The Preliminary Information Statement and the Definitive Information Statement were posted on the Company's website and PSE Edge.

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, online or represented by proxy, shareholders holding 2,059,637,275 common shares, or representing 82.39% of the Company's outstanding capital stock. Accordingly, there was a quorum for the purposes of the meeting.

The Chairman then requested the Corporate Secretary to explain the voting procedure for the meeting.

VOTING PROCEDURE AND GENERAL PROTOCOL

The Corporate Secretary announced the meeting's voting procedure and general protocol, all of which were shown on the screen, as follows:

1. To approve an agenda item, the YES vote of at least a majority of those present is required. Only the items in the Agenda and the Definitive Information Statement will be voted upon.
2. Proxy forms were made available as part of the Definitive Information Statement and in the Company website. The proxy form contains each item on the Agenda that requires stockholders' vote. There are spaces in the proxy for YES, NO or ABSTAIN, for each agenda item. The deadline for submission of proxies was 6 June 2022.
3. Stockholders who registered attendance via email may cast their votes through online ballots provided after successful registration or by submitting a proxy on or before June 6, 2022
4. The Company's stock transfer agent, Stock Transfer Services, Inc., is responsible for the tabulation of the votes. Said tabulation is further verified by the Office of the Corporate Secretary.
5. The results of the voting on each item will be announced when the particular item is taken up by the body. The tabulation of results will likewise be posted on the Company's website.
6. Stockholders were requested to submit their questions on or before 12 noon on June 13, 2022, through the Dedicated Email Address provided to stockholders.

Management will endeavor to answer all the questions. If, due to time constraints, we are not able to answer all the questions, responses to remaining questions will be sent via email.

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

The Chairman proceeded to the first business item on the agenda, the reading and approval of the Minutes of the 2021 Annual General Meeting of Stockholders held on June 15, 2021. Copies of the said Minutes were posted for viewing on the Company's website five business days after the meeting.

At the request of the Chairman, the Corporate Secretary presented the resolution for approval by the stockholders:

"RESOLVED, that the reading of the Minutes of the Annual Meeting of Stockholders held on June 15, 2021 be as it is hereby dispensed with, and that said Minutes are hereby approved."

The Corporate Secretary said that based on the tabulation of votes, stockholders representing a total of 1,728,272,924 shares, or more than a majority of the shares present or represented at the meeting, and constituting 69.14% of the Company's total outstanding capital stock, voted in favor of the proposed resolution. 331,364,351 shares or 13.26% abstained. There were no votes against the said resolution.

The Chairman declared the motion carried. The Minutes of the Annual Stockholders Meeting held on June 15, 2021 were approved.

V. ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

The next item on the agenda was the approval of the Annual Report and the Company's Audited Financial Statements and the notes thereto for the year ended December 31, 2021. Copies of the Annual Report, the 2021 Audited Financial Statements, and the Information Statement were made available to the shareholders before the meeting. Ms. Maria Carolyn Angeles, the Group Head of Finance and Treasurer, presented the highlights of the Annual Report.

A slide on Group financials for the year ended December 31, 2021 was presented. The Group recorded net revenue of \$40.778 million, a gross profit of \$4.915 million, and a net loss of \$1.058 million. From the 2020 financials, the 35% drop in the Group's net revenue was driven by the lower sales volume, deferment of shipments to 2022, and lower demand brought about by pandemic-related constraints. The 68% improvement in the Group's gross profit was attributable to the Parent Company's improvement in production efficiency and further cost reduction. The Group's 2021 net loss was 90% lower than the \$10.100 million net loss in 2020 because of the reduced sizeable one-offs, lower selling and administrative expenses, decrease in interest expense, and the net gain from the divestment of the Akaroa subsidiary.

For the 2022 first-quarter (Q1) performance, the Group registered net revenue of \$6.420 million, a gross profit of \$0.508 million, and a net loss of \$0.394 million. Q1 net revenue was 25% lower than last year's \$8.575 million, including the Akaroa subsidiary's performance. Excluding

the \$1.860 million revenue from Akaroa, this year's Q1 net revenue would have been 4% lower than last year. The decline in net revenue resulted from the continued deferral of shipments due to the temporary port closures and the lack of shipping containers. Q1 gross profit was 38% lower than last year's \$0.816 million and would have been 1% lower than 2020 if Akaroa's performance had been excluded. Q1 net loss was 22% lower than last year's net loss of \$0.506 million. Without Akaroa's \$0.083 million net income, last year's Q1 net loss would have been \$0.590 million, and this year's Q1 net loss would have been 33% lower. This year's Q1 bottom line improved due to the Parent Company's reduction in manpower costs, repairs and maintenance costs, software maintenance costs, and savings on interest expenses from lower interest rates and loan repayments.

Mr. Raymond K.H. See, the President and CEO, presented the Company's operational highlights. During the year, the Company implemented the following sales initiatives: (1) increasing focus on sales in Asia to temper the impact of higher freight rates in Europe and America; (2) increasing the volume of pouched tuna exported to Europe and Japan; (3) expanding customer base for frozen loins, fishmeal, and fish oil products; and (4) exporting fishmeal products for higher margins.

In terms of operational excellence, the Company undertook the following: (1) improving fish yield brought about by process improvement initiatives; (2) reducing workforce in critical areas by ~60% through CAPEX automation projects and streamlining of processes; (3) automating inventory process for better accounting and reconciliation.

Concerning its people, the Company reinforced the "*Ako Mismo*" mindset across the organization to encourage all employees to contribute and initiate changes that would drive company performance. Management also updated the company procedures to streamline processes and supplemented them with functional training to upskill and develop employees.

At this point, Mr. See informed the body that the Company received questions from a shareholder group that would be answered at the meeting.

For the first question, the shareholder group noted that the Company's First Quarter 2022 Report stated, "In 2021, the Company sold its shares in Akaroa for a total consideration of NZD 7.5 million (US\$ 5.1 million). Part of the consideration are payments for dividends. Gain on sale amounted of \$1.31 million." The shareholder group inquired what "Part of the consideration are payments for dividends" and "Gain on sale amounted of \$1.31 million" mean. The President said that part of the transaction's proceeds received by ASFII, the Parent Company, were payments for dividends in the amount of \$1.200 million, which Akaroa declared in March 2021. He further said that the gain on sale of \$1.31 million was the gain recognized in the books of the ASFII, the Parent Company, from the proceeds less the provision for Akaroa taxes, dividends, and investment in Akaroa.

Further to the first query, the shareholder group also asked how much was received from the Akaroa investment and how the Company utilized the proceeds. The President said that the actual proceeds from the Akaroa divestment amounted to \$3.600 million, which were used to pay down the higher interest-bearing loan of Security Bank.

For their second question, the shareholder group noted that the Company's 2021 Annual Report referred to the total consideration of the Akaroa divestment as "inclusive of payments for dividends and other related costs." The report likewise stated that the "disposal of Akaroa resulted in a gain on sale of \$0.4 million." In answer to the shareholder group's query regarding these

“other related costs,” the President said that this pertained to provision for taxes that may be payable by Akaroa before December 13, 2021, the completion date of the sale. This was related to the Company’s indemnity commitments to the buyer of Akaroa under the Agreement for the Sale and Purchase of Shares.

As a follow-up question, the shareholder group inquired why the 2022 First Quarter report stated that the “gain on sale” was \$1.31 million, but the 2021 Annual Report indicated \$0.4 million. The President explained that the \$0.4 million gain in this section pertained to the consolidated gain from the sale of the Akaroa subsidiary reported as part of the Other Income and in Note 19 of the audited consolidated financial statements of ALLIANCE SELECT FOODS INTERNATIONAL, INC. AND SUBSIDIARIES as at and for the years ended December 31, 2021 and 2020. This was computed as proceeds from sale less the book value of Akaroa at the time of sale. The \$1.31 million gain as disclosed in the 2022 First Quarter report referred to the ASFII-Parent Company’s gain from the Akaroa divestment. This was reported as Other Income and in Note 19 of the audited separate financial statements of ALLIANCE SELECT FOODS INTERNATIONAL, INC. as at and for the years ended December 31, 2021 and 2020.

For the third question, the shareholder group noted that the Company’s 2021 Annual Report stated that the proceeds from the Akaroa sale were used to pay loans. They then inquired what loans were paid using the proceeds from the Akaroa divestment and how much was paid. The President said that the actual proceeds from the Akaroa divestment, which amounted to \$3.6 million, were used to pay down the higher interest-bearing loan of Security Bank to maximize savings on interest expenses. It was further noted that the Company was able to negotiate a lower interest rate for its loans from Landbank during the second half of 2021.

The President then informed the body that these were all the questions received for the meeting. The Corporate Secretary noted that questions arising from the presentations and other general queries might nevertheless be sent to the Dedicated Email Address provided in the Information Statement. The Company will respond to these additional questions via email.

The Chairman requested the Corporate Secretary to inform the body of the resolution for approval, and the votes cast in favor thereon. The Corporate Secretary presented the Resolution for which stockholders’ approval is being sought and the voting results, slides of which were shown on the screen.

“RESOLVED, that the Annual Report, together with the Audited Financial Statements and the notes thereto of the Corporation for the year ended December 31, 2021, be as they are hereby approved.”

Based on the tabulation of votes, stockholders representing 1,728,272,924 shares, or more than a majority of the shares present or represented at this meeting, constituting 69.14% of the Company’s total outstanding capital stock, voted in favor of the proposed resolution. 331,364,351 shares or 13.26% voted against the resolution. There were no abstentions.

The Chairman declared the motion carried. The Annual Report, the Audited Financial Statements and the notes thereto for the year ended December 31, 2021 were hereby approved.

VI. RATIFICATION AND APPROVAL OF ACTS OF BOARD OF DIRECTORS AND EXECUTIVE OFFICERS FOR THE CORPORATE YEAR 2021-2022

The next item on the agenda was the ratification and approval of the acts of the Board of Directors and the Company's executive officers for the corporate year 2021-2022. The major actions of the Board and the executive officers for the past year were summarized in the Information Statement, which was distributed to the shareholders before the meeting. Board actions were reflected in the Minutes of Meetings of the Board, which were available for inspection.

At the request of the Chairman, the Corporate Secretary presented the resolution for approval by the stockholders. Slides of the resolution and the voting results were shown on the screen.

“RESOLVED, that all acts, contracts, proceedings, elections and appointments made or taken by the Board of Directors, and/or executive officers and management of the Corporation during the past year and up to today’s meeting, as set forth in the Minutes of the Meetings of the Board of Directors and the Committees, and/or all acts and proceedings performed or taken pursuant thereto, be as they are hereby, approved, ratified and confirmed.”

Based on the tabulation of votes, stockholders representing 1,728,272,924 shares, or more than a majority of the shares present or represented at this meeting, constituting 69.14% of the Company’s total outstanding capital stock, voted in favor of the proposed resolution. 331,364,351 shares or 13.26% voted against the resolution. There were no abstentions.

The Chairman declared the motion carried. The resolution to ratify and approve all of the acts of the Board of Directors and Officers of the Corporation during the past year was declared as carried and approved.

VII. APPOINTMENT OF INDEPENDENT AUDITORS

The Chairman took up the next item on the Agenda, which was the appointment of the Company’s independent auditors. The Audit Committee and the Board of Directors recommended the appointment of Reyes Tacandong & Co. as independent auditors of the Company for 2022.

At the request of the Chairman, the Corporate Secretary presented the resolution for approval. Slides of the resolution and the voting results were shown on the screen.

“RESOLVED, that accounting firm of Reyes Tacandong & Company, as recommended by the Audit Committee and the Board of Directors, be appointed as the external auditor of the Corporation for the year 2022 and until its successor is duly appointed.”

Based on the tabulation of votes, stockholders representing 1,728,272,924 shares, or more than a majority of the shares present or represented at this meeting, constituting 69.14% of the Company’s total outstanding capital stock, voted in favor of the proposed resolution. 331,364,351 shares or 13.26% voted against the resolution. There were no abstentions.

The Chairman thus declared the motion carried and Reyes Tacandong & Co. as independent auditors of the Company for 2022.

VIII. ELECTION OF DIRECTORS

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

The Corporate Secretary noted 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 nominees were nominees for independent directors. The Nominations Committee screened the nominees and prepared a final list of candidates, which was incorporated in the Information Statement for the Meeting. The following were the nominees:

For regular directors:

1. Mr. Gabriel A. Dee;
2. Ms. Rena M. Rico-Pamfilo;
3. Mr. Joseph Peter Y. Roxas;
4. Mr. Lorenzo Sixto T. Lichauco;
5. Mr. Jeffrey P. Yulo;

;

For independent directors:

1. Mr. Dobbin A. Tan; and
2. Mr. Domingo C. Go.

The Chairman asked the Corporate Secretary to advise the body of the votes cast for each of the seven nominees to the Company's Board of Directors. The Corporate Secretary said that each of the seven (7) nominees for the Board's seven (7) seats received sufficient votes to elect each of them as Director of the Company. A breakdown of the votes received by each director was presented as follows:

	IN FAVOR		AGAINST		ABSTAIN	
Gabriel A. Dee	1,728,290,365	69.14%	331,364,351	13.26%	0	0.00%
Rena M. Rico-Pamfilo	1,728,262,227	69.14%	331,364,351	13.26%	0	0.00%
Joseph Peter Y. Roxas	1,728,290,365	69.14%	331,364,351	13.26%	0	0.00%
Lorenzo Sixto T. Lichauco	1,728,251,787	69.14%	331,364,351	13.26%	0	0.00%
Jeffrey P. Yulo	1,728,283,557	69.14%	331,364,351	13.26%	0	0.00%
Dobbin A. Tan (Independent)	1,728,269,034	69.14%	331,364,351	13.26%	0	0.00%
Domingo Cu Go (Independent)	1,728,263,134	69.14%	331,364,351	13.26%	0	0.00%

The Chairman thus declared all of the seven (7) nominees as duly elected members of the Company's Board of Directors. The Chairman thanked Atty. Antonio C. Pacis and Mr. Raymond K.H. See, who stepped down as Directors, for their years of service and invaluable contribution to the Company. He then welcomed Mr. Lorenzo Sixto T. Lichauco and Mr. Jeffrey P. Yulo as the new members of the Board.

IX. ADJOURNMENT

There being no other matters to discuss, the meeting was adjourned at 2:40 p.m.

Prepared by:

BARBARA ANNE C. MIGALLOS
Corporate Secretary

Attest:

GABRIEL A. DEE
Chairman of the Meeting

ASFII Minutes ASM on 15 June 2022 /rmg29