

ALLIANCE SELECT FOODS INTERNATIONAL, INC.
MINUTES OF THE 2024 ANNUAL GENERAL STOCKHOLDERS MEETING¹

Held on Wednesday, 19 June 2024, at 2:00 PM
via Zoom teleconference

Shareholders present:

Registered online or represented by proxy: Shareholders holding 81.61% of the Company's outstanding capital stock. *(Please see attached Annex "A" for the complete list of stockholders present or represented at the meeting.)*

Directors Present in Person:

Mr. Lorenzo Sixto T. Lichauco, Chairman
Atty. Gabriel A. Dee, Vice Chairman
Mr. Jeffrey P. Yulo, President and Chief Executive Officer

Directors Present via Remote Communication:

Mr. Joseph Peter Y. Roxas, Director
Mr. Dobbin A. Tan, Independent Director; Chairman of the Audit Committee
Mr. Domingo C. Go, Independent Director, Chairman of the Corporate Governance Committee
Mr. Fernando L. Gaspar, Independent Director, Chairman of the Risk Committee

Officers Present in Person:

Atty. Barbara Anne C. Migallos – Corporate Secretary
Atty. Ma. Resa S. Celiz – Chief Compliance Officer and Assistant Corporate Secretary
Mr. Tyrone D. Villegas - Chief Financial Officer and Treasurer

Officers Present via Remote Communication:

Mr. Eldwin S. Umusig - Vice President for Operations
Mr. Jackson Emil G. Lumaban - Vice President for Sales

I. CALL TO ORDER

Mr. Lorenzo Sixto T. Lichauco, the Chairman of the Board of Alliance Select Foods International, Inc. ("ASFII" or the "Company"), called the meeting to order at 2:00 p.m. The Chairman greeted the stockholders present and welcomed them to the 2024 Annual Stockholders' Meeting (the "Meeting") of the Company.

The Chairman also introduced the Directors and Senior Officers present at the meeting. The shareholders were informed of the presence in person of representatives of Reyes Tacandong & Company, the Company's independent external auditors, and the presence, via remote communication, of 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.

¹ For approval at the next annual general meeting of stockholders.

The Corporate Secretary certified that the Notice together with the Agenda of the Annual Stockholders' Meeting was posted on the Company's website and was published in print and online by the Manila Times and Daily Tribune for two (2) consecutive days, on May 25 and 26, 2024, and was also disclosed to the Securities and Exchange Commission and the Philippine Stock Exchange.

III. CERTIFICATE OF QUORUM AND EXPLANATION OF VOTING PROCEDURE

The Chairman asked the Corporate Secretary whether there was a quorum. The Corporate Secretary certified that there was a quorum for the purposes of the meeting considering that there were present via remote communication or represented by proxy, shareholders representing 81.61% of the Company's outstanding capital stock.

The Corporate Secretary explained that as indicated in the Notice of the Meeting, stockholders may participate and attend the meeting only by remote communication. A dedicated email address was disclosed consistent with SEC rules so that stockholders would be able to register or to submit proxies on the prescribed dates. Shareholders who did so are considered present at the Meeting.

Voting Procedure and General Protocol

At the request of the Chairman, the Corporate Secretary explained the protocol and voting procedure for the meeting.

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. *(Please see attached Annex "B" for the complete tabulation of voting results.)*
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 the stockholders' vote. There are spaces in the proxy for YES, NO or ABSTAIN, for each agenda item. The deadline for submission of proxies was on 5 June 2024.
3. Stockholders who registered attendance via email could cast their votes through online ballots provided after successful registration or by submitting a proxy on or before June 13, 2024.
4. The Company's stock transfer agent, Stock Transfer Services, Inc., was responsible for the tabulation of the votes. Said tabulation was 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. The Court of Appeals case which was explained at the last Annual General Stockholders meeting is still pending, for the information of all.
6. Stockholders were requested to submit their questions on or before 5:00 p.m. on June 14, 2024, through the Dedicated Email Address provided to stockholders. Management will endeavor to answer all the questions. If, due to time constraints,

management is 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 announced that the first item on the agenda is the reading and approval of the Minutes of the Annual General Stockholders' Meeting held on June 15, 2023 ("2023 AGM"). The Minutes of the 2023 AGM were posted on the Company's website within five business days after that meeting. At the request of the Chairman, the Corporate Secretary presented the resolution for approval:

***"RESOLVED**, that the reading of the Minutes of the Annual Meeting of Stockholders held on June 15, 2023, be as it is hereby dispensed with, and that said Minutes are hereby approved."*

The Corporate Secretary announced that based on the tabulation of votes, more than a majority of the shares present or represented at this meeting voted in favor of the proposed resolution. A slide was presented on the screen which showed that 1,708,725,570 shares, or 68% of the outstanding capital stock, voted in favor of the proposed resolution.

The Chairman declared the motion carried. The Minutes of the Annual Stockholders Meeting held on 15 June 2023 were approved.

V. ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

The next item on the meeting's Agenda was the approval of the Annual Report and of the Company's Audited Financial Statements and the Notes thereto for the year ended 31 December 2023. Copies of the report and the audited financial statements were previously distributed to the stockholders in accordance with pertinent SEC rules.

The President and Chief Executive Officer, Mr. Jeffrey P. Yulo, presented the highlights of the Annual Report.

First, on commercial initiatives, Mr. Yulo reported that the Group's net revenue increased by 63% as against the previous year, resulting to higher volume and recalibration of selling prices. There was also emphasis on customer excellence and business partnering with focus on financial analysis and faster turnaround time. The Company also increased the volume of all product formats, which in turn increased fishmeal and fish oil volume. Customer base for local markets was also expanded, such as Delimondo, Unilogix (Starbucks), Golden Donuts (Dunkin) and Joliant (7-11).

Moving on to operational excellence, the Company's production volume increased to 84 metric tons (MT)/day from 60 MT/day. Plant utilization likewise improved to 57% from 40% the previous year. Manufacturing overhead, or the cost to produce has also improved by 22% as against 2022. ASFII had also upgraded selected plant machineries to optimize efficiency. One of such improvements is the installation of air conditioning system in one area of the facility to improve the Company's operations for pouch and frozen loins area as part of the requirements of the business partners.

As to People, Governance, and Environment, the Company now has a more cohesive

team with high accountability on performance and results and ASFII continues to focus on talent development and front-line leaders. The Company has also received an award on Corporate Governance from the Institute of Corporate Directors. The Company also upgraded the Wastewater Treatment Facility in compliance with DENR-EMD standards due to increase in volume and also received the Sarangani Bay Protected Seascapes Baybay award from DENR.

Revenues

<i>Amounts in \$'000s</i>	2023	2022	%
Net Revenues	56,467	34,580	63%
Cost of Sales	(51,644)	(31,401)	64%
Gross Profit	4,823	3,179	52%
Other Expenses	(5,162)	(3,693)	(40%)
Loss Before Tax	(340)	(514)	34%
Income Tax	2,280	2,979	23%
Net Loss	(2,620)	(3,493)	25%

As against the previous year, the growth in net revenue amounted to almost \$22 million additional sales, mainly driven by increase in volume of canned and pouched products for export business. With higher volume and daily production, more fish meal and fish oil were produced which further improved the revenue. The improvement of selling prices of all product segments helped propel better revenue for the second half of 2023.

Gross Profit

<i>Amounts in \$'000s</i>	2023	2022	%
Gross Profit	4,823	3,179	52%
Gross Profit Rate	8.5%	9.2%	

The increase in the Group's gross profit (GP) by 52% is driven by ASFII Parent's GP of \$4.2 million which comprised 87% of the Group's GP in 2023. However, the Group's gross profit rate (GPR) decreased to 8.5% in 2023 from 9.2% in 2022 mainly due to the extraordinary spike of fish cost from Q1 to Q3 2023. The impact of the high fish cost was mitigated by better pricing of the fishes in Q4 2023. In addition, there was also lower manufacturing overhead resulting from higher plant utilization.

Other Expenses

<i>Amounts in \$'000s</i>	2023	2022	%
Other Expenses	(5,162)	(3,693)	(40%)
Selling and Administrative	(4,473)	(3,372)	(33%)
Interest Expense	(1,044)	(451)	(131%)
Other Income (Charges) - net	355	131	171%

For the other expenses, the selling and administrative expenses increased, consistent with the higher sales volume and revenue. The Company's finance cost increased by 131% mainly due to high interest rates of 5.84% in 2023 from just 3.60% in 2022, which impacted the bottom line of the Company.

Income Tax

<i>Amounts in \$'000s</i>	2023	2022	%
Income Tax	2,280	2,979	23%
Current	79	23	243%
Deferred	2,201	2,956	26%

For Income Tax, the Deferred income tax expense in 2023 is the derecognition of deferred

tax assets pertaining to NOLCO from 2020 to 2022 amounting to \$2.2 million. The Company's Deferred income tax expense in 2022 is the derecognition of deferred tax assets pertaining to allowance for impairment losses from vessels, other receivables and inventory write-down amounting to \$3.4mn, \$1.5mn and \$0.3mn, respectively. This is offset by the recognition of deferred tax assets for NOLCO amounting to \$2.2mn.

First Quarter (Q1) 2024 Financial Performance

Mr. Yulo thereafter presented on the Q1 2024 Financial Performance.

<i>Amounts in \$'000s</i>	Q1 2024 (Unaudited)	Q1 2023	% of Change
Net Revenues	21,283	13,718	55%
Cost of Sales	(19,542)	(12,871)	(52%)
Gross Profit	1,741	847	106%
Other Expenses	(1,652)	(1,082)	(53%)
Net Income/(Loss) Before Tax	89	(235)	138%
Income Tax	34	9	(271%)
Net Income/(Loss)	55	(244)	123%

Q1 showed tremendous opportunity through the 55% growth in revenue. The Company's GP ratio likewise improved to 8% from 6% in 2023 due to better product mix. The increase in freight rate due to the Red Sea issue was mitigated by the better fish prices and pricing model which brought a positive bottom line in Q1 2024. However, the Higher Finance Cost continued to impact the company due to increased loan balances and interest rates of 6.2% p.a. in Q1 2024 as compared with the 5.7% p.a. in Q1 2023.

Mr. Yulo noted that Q1 2024 surpassed last year's performance by \$299,000 in net income before tax. The Company's production capacity has also improved to 95MT/day compared to Q1 2023 wherein it was only at 78MT/day. Management is continuing to focus on building talent and capability to secure the future of the Company. ASFII is also maximizing Wastewater, Solar, and Corporate Governance in the Company. Q2 is also unfolding according to management's plan, with favorable fish prices, better product mix and team effort.

The Chairman thereafter requested the Corporate Secretary to inform the stockholders if there were any questions that were received and are to be answered at today's meeting. The Corporate Secretary informed the Chairman that there were no questions received from the stockholders. However, should the stockholders have any questions on today's presentation or other general queries, they may send their queries to the Dedicated Email Address provided in the Information Statement. The Company will respond via email.

At the request of the Chairman, the Corporate Secretary presented the resolution for approval and the votes received in favor of the approval of the Annual Report and the Audited Statements:

“RESOLVED, that the Annual Report, together with the Audited Financial Statements and the notes thereto of the Corporation for the year ended 31 December 2023, be as they are hereby approved.”

The Corporate Secretary stated that based on the tabulation of votes, stockholders representing more than a majority of the outstanding capital stock voted in favor of the proposed resolution. A slide was presented on the screen which showed that a total of **1,708,725,570** shares, or more than a majority of the shares present or represented at this meeting, and constituting **68.36%** of the Company's total outstanding capital stock, voted in favor of the

resolution.

The Chairman declared the motion carried. The Annual Report, the Audited Financial Statements and the notes thereto for the year ended 31 December 2023, were hereby approved.

VI. RATIFICATION AND APPROVAL OF THE ACTS OF THE BOARD OF DIRECTORS AND EXECUTIVE OFFICERS FOR THE CORPORATE YEAR 2023-2024

The next item on the agenda was the ratification and approval of the acts of the Board of Directors and Officers of the Company for the corporate year 2023-2024.

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.”

At the Chairman’s request, the Corporate Secretary informed the stockholders that based on the tabulation of votes, more than a majority of the shareholders present or represented at this meeting voted in favor of the proposed resolution. A slide was presented on the screen showing that stockholders representing a total of **1,708,725,570 shares**, or more than a majority of the shares present or represented at this meeting and constituting **68.36%** of the Company’s total outstanding capital stock voted for the approval and ratification of the acts of the Board of Directors and Officers of the Company during the past year.

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 then mentioned that the next item on the Agenda is the appointment of the Company’s independent external auditors. He stated that the Audit Committee and the Board recommended the appointment of Reyes Tacandong & Co. as the independent auditors of the Company for 2024, and the Board of Directors approved and accepted the recommendation. The Corporate Secretary presented the resolution for approval:

“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 2024 and until its successor is duly appointed.”

At the Chairman’s request, the Corporate Secretary informed the stockholders that based

on the tabulation of votes, stockholders representing more than a majority of the stockholders present or represented at this meeting voted in favor of the proposed resolution. The slide presented showed a total of **1,708,725,570 shares**, or more than a majority of the shares present or represented at this meeting, and constituting **68.36%** of the Company's total outstanding capital stock, voted in favor of the appointment of Reyes Tacandong & Company as the independent external auditors of the Company for 2024. T

The Chairman declared the motion carried. The appointment of Reyes Tacandong & Co. as independent external auditors of the Company for 2024 was approved.

VIII. ELECTION OF DIRECTORS

The Chairman then mentioned that the next item on the Agenda is the election of directors for the ensuing year. Seven (7) seats were to be filled, and three (3) directors to be elected are independent directors. The Corporate Secretary was then requested to present the names of the nominees.

The Corporate Secretary noted that there are seven (7) nominees for the seven (7) seats on the Board of Directors. Three (3) of the nominees are nominees for independent director. 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. Lorenzo Sixto T. Lichauco ;
2. Mr. Gabriel A. Dee ;
3. Mr. Jeffrey P. Yulo; and
4. Mr. Joseph Peter Y. Roxas

For Independent Director:

1. Mr. Dobbin A. Tan;
2. Mr. Domingo C. Go ; and
3. Mr. Fernando L. Gaspar

The Chairman thereafter requested the Corporate Secretary to advise the body of the results of the election. The Corporate Secretary reported that all seven (7) nominees for the seven (7) seats on the Board received sufficient votes to elect them as Directors of the Company. A tabulation of votes showing the exact number of votes received will be posted on the Company's website after the meeting.

A slide showing the breakdown of the votes received by each director was presented on the screen.

AGENDA ITEM: ELECTION OF DIRECTORS INCLUDING INDEPENDENT DIRECTORS	IN FAVOR		AGAINST		ABSTAIN	
	Number of Shares	Percentage	Number of Shares	Percentage	Number of Shares	Percentage
Lorenzo Sixto T. Lichauco	1,708,725,570	68.36%	0	0.00%	331,364,351	13.26%

Gabriel A. Dee	1,708,725,570	68.36%	0	0.00%	331,364,351	13.26%
Jeoffrey P. Yulo	1,708,725,570	68.36%	0	0.00%	331,364,351	13.26%
Joseph Peter Y. Roxas	1,708,725,570	68.36%	0	0.00%	331,364,351	13.26%
Dobbin A. Tan	1,708,725,570	68.36%	0	0.00%	331,364,351	13.26%
Domingo C. Go	1,708,725,570	68.36%	0	0.00%	331,364,351	13.26%
Fernando L. Gaspar	1,708,725,570	68.36%	0	0.00%	331,364,351	13.26%

The Chairman then declared that the following have been elected as Directors of the Company:

1. Mr. Lorenzo Sixto T. Lichauco;
2. Mr. Gabriel A. Dee;
3. Mr. Jeoffrey P. Yulo;
4. Mr. Joseph Peter Y. Roxas;
5. Mr. Dobbin A. Tan, Independent Director;
6. Mr. Domingo C. Go, Independent Director; and
7. Mr. Fernando L. Gaspar, Independent Director.

The Chairman then congratulated and welcomed the incoming members of the Board of Directors.

IX. OTHER MATTERS

The Chairman asked if there were any other matters or business that the shareholders wished to raise. The Corporate Secretary said that none of the shareholders came forward with questions or concerns.

X. ADJOURNMENT

There being no further business to discuss, the meeting was declared adjourned by the Chairman.

Prepared by:


BARBARA ANNE C. MIGALLOS
Corporate Secretary

**ATTENDANCE AT THE
ALLIANCE SELECT FOODS INTERNATIONAL, INC.
2024 ANNUAL GENERAL STOCKHOLDERS MEETING**
Held on Wednesday, 19 June 2024, at 2:00 PM

1. Asiasec Equities, Inc.
2. BDO Securities Inc.
3. Maybank Securities Inc. Fao Czammaan
4. Sb Equities, Inc.
5. E. Chua Chiacco Securities Inc.
6. Strongoak, Inc.
7. Martin Antonio G. Zamora
8. Lorenzo Sixto T. Lichauco
9. Harvest All Investment Limited
10. Victory Fund Limited
11. Bondeast Private Limited
12. S. Chandra Das
13. Yap Siu Cheng
14. Goldstar Securities Inc.
15. Joseph Y. Roxas
16. Standard Securities Corporation
17. Sunsec Securities
18. Tower Securities
19. Gabriel A. Dee
20. Fernando L. Gaspar
21. Jeffrey P. Yulo

TABULATION OF RESULTS

AGENDA ITEM	IN FAVOR		AGAINST		ABSTAIN	
	NO. OF SHARES	%	NO. OF SHARES	%	NO. OF SHARES	%
ITEM 1 – APPROVAL OF MINUTES OF THE 2022 ANNUAL GENERAL MEETING OF STOCKHOLDERS HELD ON JUNE 15, 2023	1,708,725,570	68.36%	0	0.00%	331,364,351	13.26%
ITEM 2 – APPROVAL OF ANNUAL REPORTS AND AUDITED FINANCIAL STATEMENTS FOR 2023	1,708,725,570	68.36%	331,364,351	13.26%	0	0.00%
ITEM 3 – RATIFICATION AND APPROVAL OF THE ACTS OF THE BOARD OF DIRECTORS AND EXECUTIVE OFFICERS FOR THE CORPORATE YEAR 2023	1,708,725,570	68.36%	331,364,351	13.26%	0	0.00%
ITEM 4 – APPOINTMENT OF REYES TACANDONG & CO. AS INDEPENDENT AUDITORS	1,708,725,570	68.36%	331,364,351	13.26%	0	0.00%
ITEM 5 – ELECTION OF DIRECTORS						
LORENZO SIXTO T. LICHAUCO	1,708,725,570	68.36%	0	0.00%	331,364,351	13.26%
GABRIEL A. DEE	1,708,725,570	68.36%	0	0.00%	331,364,351	13.26%
JEFFREY P. YULO	1,708,725,570	68.36%	0	0.00%	331,364,351	13.26%
JOSEPH PETER Y. ROXAS	1,708,725,570	68.36%	0	0.00%	331,364,351	13.26%
DOBBIN A. TAN	1,708,725,570	68.36%	0	0.00%	331,364,351	13.26%
DOMINGO C. GO	1,708,725,570	68.36%	0	0.00%	331,364,351	13.26%
FERNANDO L. GASPAR	1,708,725,570	68.36%	0	0.00%	331,364,351	13.26%