

**ROXAS AND COMPANY, INC.**  
**MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING**  
30 August 2023, 10:00 A.M.  
Via Video Conference

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	<b>NUMBER OF SHARES</b>	<b>PERCENTAGE</b>
<b>Total Number of Shareholders by Proxy and in Person</b>	1,727,415,983	77.17%
<b>Total Issued and Outstanding Shares</b>	2,238,565,159	100.00%

**PROCEEDINGS**

**I.**  
**CLOSURE OF REGISTRATION**

Registration started at 9:00 a.m. and ended at 10:00 a.m. The Corporate Secretary, Atty. Peter D.A. Barot, then declared that the registration for the Annual Stockholders' Meeting of Roxas and Company, Inc. officially 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. Melchor J. Manalo, recorded the minutes of the meeting.

**III.**  
**CERTIFICATION OF NOTICE AND QUORUM**

Atty. Peter D.A. Barot certified that the Notices, Agenda, 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. He also certified, that there were present, in person or by proxy, stockholders representing 77.17% or 1,727,415,983 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 MINUTES OF THE PREVIOUS ANNUAL MEETING OF THE STOCKHOLDERS HELD ON 29 JUNE 2022**

The Chairman proceeded to the next item in the agenda which is the reading and approval of the Minutes of the Annual Stockholders' Meeting held on 29 June 2022. Copies of

the Minutes were distributed to the stockholders upon registration and by posting the same on the company's website since 4 July 2022.

The Chairman stated that a vote was taken in absentia for the approval of the Minutes of the Annual Stockholder's Meeting held on 29 June 2022 and asked the Corporate Secretary to tally votes. The Corporate Secretary 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 29 June 2022.

## V.

### **PRESENTATION AND APPROVAL OF THE ANNUAL REPORT OF MANAGEMENT FOR THE YEAR ENDED 31 DECEMBER 2022**

The Chairman presented the Annual Report for the calendar year 31 December 2022 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 mentioned that Roxas and Company, Inc. is on track with its recovery programs and the management continues to strive, be resilient and innovative in order to push the Company towards its goals.

He reported that the Roxaco-Asia Hospitality Corporation has shifted from quarantine to regular facilities and adjusted its price in order to be more competitive. Anya Resorts Tagaytay, on the other hand, has performed well in 2022 and has been recognized internationally by different prestigious award bodies. In fact, its gross profit grew significantly as compared to 2021. Roxaco Land Corporation had a steady performance in 2022 and has continued to develop its land bank and has partnered with other Class A contractors in order to maximize the development of its project's potential and revenues. Roxas-Sigma Agriventures, Inc. has sustained a bigger loss in 2022 because of the persistent plant reliability and working capital issues. This resulted in a huge setback for the Company. However, management still has a positive mindset and continues to innovate ideas and formulate catch-up plans, including emergency repairs and maintenance, and has maintained and attracted new clients while waiting for the necessary operating funds. Anya Hotel Group (AHG) has continued its steady phase and has secured its first non-affiliate client in 2022, and continues to strive to build its consultancy and operating management portfolios in order to secure more clients, particularly in high-end luxury resorts. Lastly, the Chairman stated that Roxas Holdings, Inc. has booked losses in 2022 and has decided to close its milling business in order to focus on its refinery business.

Mr. Roxas then mentioned that RCI continues to strive and recover from the challenges brought by the COVID-19 pandemic.

He concluded his speech by thanking the stockholders for their continued faith and trust. He also thanked the members of the Board and all RCI group employees and stakeholders for their support, passion, and resilience in delivering results and meeting targets throughout these trying times.

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

### President and CEO's Message

Mr. Edgar P. Arcos, President and CEO of RCI, delivered the President's Report as follows:

"In 2022, Roxas and Company, Inc. continue to operationalize its strategies to push our group recovery programs that started in 2021. Despite the 2-week spike in January 2022, COVID-19 was more under control last year.

Revenues of almost Php800M declined 17% versus 2021 while gross profit at around Php300M was at 35% of sales. Operating results are lower than the 2021 due to the mixed performance across businesses. Higher operating expenses and interest expenses were offset by property fair value gain resulting in an overall net income after tax of Php623M.

In P Million	2022	2021	Inc(Dec)
SALES	786	946	-17%
COST OF SALES	(512)	(533)	
<b>GROSS PROFIT</b>	<b>274</b>	<b>412</b>	<b>-34%</b>
<b>GP MARGIN</b>	<b>35%</b>	<b>44%</b>	
OPERATING EXPENSES	(704)	(508)	
<b>OPERATING INCOME</b>	<b>(430)</b>	<b>(96)</b>	
OTHER INCOME	(571)	42	
<b>EBIT</b>	<b>(1,001)</b>	<b>(54)</b>	<b>-1743%</b>
FAIR VALUE GAIN	2,120	766	
EQUITY LOSS - RHI	(184)	(183)	
INTEREST EXPENSES	(258)	(212)	
LOSS -DISCONTD. OPS.	(40)	(26)	
INC. TAX EXP(BENEFIT)	(14)	(54)	
<b>NIAT</b>	<b>623</b>	<b>238</b>	<b>162%</b>
<b>EBITDA</b>	<b>1,007</b>	<b>684</b>	

Roxaco-Asia Hospitality Corporation reconverted its 4 hotels from quarantine to regular facilities in quarter 1 of 2022 following the relaxation of pandemic protocols. Full-year occupancy rates fell from 55% in 2021 to 43% in 2022 as Overseas Filipino Workers, frontliners, Chinese clients, and seafarer departures declined. Hotels had to cut rates to attract guests. Costs rose as higher inflation pushed, spending above budgets. RAHC resorted to block booking of floors to manage personnel and power usage. It also launched marketing programs, repaired rooms, and enhanced selected lobbies. Guest walk-ins as well as online travel agent bookings rose versus 2021. The erratic occupancy, competitive pricing, and heavy interest burden increased the overall loss in RAHC in 2022 compared to 2021.

On the other hand, Anya Resort Tagaytay revenues and gross profit grew 150% resulting to net loss being cut in half versus 2021. Despite the closure from the Omicron variant early in the year, Anya registered a 15-point improvement in occupancy to 60% for the year. Posting record food and beverages, rooms, spa, and miscellaneous sales, the hotel hosted no less than 255 corporate and social events throughout the year. A recovery year indeed. The property was not spared though from rising food and supplies costs but the hotel offset this impact by adjusting menu prices and streamlining operations. To cap a strong year, Anya Resort Tagaytay also won the prestigious World Luxury Hotel Award recognized as a top global restaurant, Samira, and spa, Niyama. The hotel celebrated its 6<sup>th</sup> (sic) anniversary and held a much-deserved service award and recognition night.

Roxaco Land Corporation, the realty unit, sold raw land in Nasugbu. It resumed construction of previously low-activity house and lot projects in Montana, Landing Townhomes, and Palm Strip. It also signed an agreement with a third party for the 1-billion-peso Anya Phase 3 project to commence and pre-sell in 2023. It continues to receive many proposals for joint ventures, sale, and rental of land holdings in Nasugbu.

Roxas Sigma Agriventures, Inc. registered a larger loss in 2022 compared to 2021 due to fewer production days caused by reliability and working capital issues. The plant shutdowns delayed order fulfillment and resulted to cancelled purchase orders. Product write-offs from quality rejects however were reduced as finished goods volume declined and fixes the previous issues were delivered. RSAI's Sales and Marketing Team released higher list prices for 2022, the first update since commercial activity started in 2018. Dehusked coconut prices in the area increased in the first half of 2022 following the Russia invasion of Ukraine but the annual average cost of the nuts declined by 6% versus 2021. RSAI's search for new equity or debt is still in progress. The investment will be used for capacity expansion, product development, and quality equipment upgrades. Most of the emergency repairs were completed. Maintenance needs more focus, funding as well and technical resources. Finally, for RSAI, it impaired its asset in 2022 to match carrying to recoverable values. This impairment is reversible once capacity utilization is achieved foreseen sometime in 2024.

Anya Hotel Group secured new clients in 2022 and strengthening the pipeline of potential contracts for hotels, spas, and restaurants. It also reinforced its sales unit to prepare for the impending tourism rebuilding of the Philippines and a push to attract higher tourism revenues from 2023 onwards.

The Group's Nasugbu land holdings value appreciated by more than 2 billion in 2022, continuing a 5-year streak of sustained investment property demand. We continue to work towards resolving our cases so that we can monetize our portfolio of land holdings. The consolidation of San Miguel and the Metro Pacific tollways project and the power infrastructure investments in Nasugbu are strategically important to our mid to long-term plans.

Roxas Holdings, Inc. booked a loss in 2022 that is almost equal to 2021. RHI closed its milling unit to concentrate on the refinery business in 2022.

The Finance Team concluded the restructuring of loans from several banks to match the new cash flow forecasts following COVID and post-pandemic recovery prospects and challenges. The remaining loan agreements will be finalized in 2023.

The Roxas Companies continue to finetune its performance management process. It also hosted 3 well-attended and well-regarded town hall sessions in the year to deepen engagement and share financial and operational results. There were many question-and-answer sessions that were the source of direct feedback from all of the employees in the 3 events hosted last year. “

Mr. Arcos thanked the companies’ Shareholders, Board of Directors, industry associates, suppliers, partner banks, media partners, and all employees for their strong support in a still challenging 2022, and mentioned that he looks forward to generating together with the whole team stronger results in 2023 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 2022. 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 Annual Report.

## **VI RATIFICATION OF ALL ACTS AND PROCEEDINGS OF THE BOARD OF DIRECTORS AND MANAGEMENT**

The next item on the agenda was the ratification of all acts of management and of the Board from 29 June 2022 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 29 June 2022. 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.

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.

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

The next item on the Agenda is the election of the external auditor of the Company. At this point, the Chairperson of the Audit and Risk Committee, Dir. Corazaon de la Paz-Bernardo, was recognized. Director de la Paz-Bernardo, 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 2023.

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 2023. 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 auditor for the calendar year 2023.

## **IX. OTHER MATTERS**

For the next item on the Agenda, the Chairman stated that as provided for in the procedure published for the conduct of the virtual meetings, 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 30 August 2023. He then asked the Investor Relations Officer, Atty. Mechor J. Manalo, to read out any questions sent by the shareholders.

Atty. Manalo confirmed that he 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. Manalo.

**X.**  
**ADJOURNMENT**

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

**CERTIFIED TRUE AND CORRECT:**

  
**ATTY. MELCHOR J. MANALO**  
Assistant Corporate Secretary