

# MINUTES OF THE ANNUAL SHAREHOLDERS MEETING

OF

## FMF DEVELOPMENT CORPORATION

Held on 29 December 2020 at 11:00 AM  
via Remote Communication (ZOOM)

### Stockholders Present:

	<u>No. of Shares</u>
Total No. of Shares Present:	30,492,993
Total No. of Shares issued and entitled to vote:	49,000,000

### I. CALL TO ORDER

Mr. Roberto C. Fernandez, the Vice Chairman of the Board, called the meeting to order and presided over the same in view of the absence of the Chairman, Mr. Jose Arguelles. He mentioned that for the first time ever in the history of the corporation, the meeting was being held in a virtual format, given the current pandemic due to COVID-19.

He welcomed all stockholders who have joined the zoom meeting, and thanked shareholders participating through **electronic-online voting in absentia** or **Proxy**.

He acknowledged the members of the Board present as well as Atty. Elpidio C. Jamora, Jr., the assistant corporate secretary who served as the Secretary to record the minutes of the meeting.

The Chairman of the meeting also caused the announcement by the Secretary of the Rules of Conduct and Voting procedures adopted for the meeting.

### II. CERTIFICATION OF NOTICE OF MEETING AND DETERMINATION OF QUORUM

The Secretary certified that Notice & Agenda of the Annual Stockholders' Meeting and the Definitive Information Statement were sent to stockholders of record as of December 07, 2020. He also mentioned that the Notice of Meeting was published on December 19, 2020 in the Philippine Daily Inquirer. The Secretary likewise certified that there was a quorum since stockholder(s) owning at least 30,492,943 shares representing 62.23% of the 49,000,000 total outstanding shares are present either in person or by proxy.

**III. APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING HELD ON JULY 25, 2019.**

The meeting proceeded to the next item on the agenda which was the Approval of the Minutes of the Annual Stockholders' Meeting held on July 25, 2019.

After discussion and upon motion made and duly seconded, the following resolution was approved by the vote of Shareholders owning 30,377,204 shares representing 61.99% of the total outstanding capital stock:

**Resolution No. ASM-2020-01**

"RESOLVED, as it is hereby resolved, that the Minutes of the Annual Stockholders' Meeting of the Company held on July 25, 2019 be, as the same is hereby approved."

**IV. PRESENTATION OF THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2019**

The meeting then moved to the next item on the Agenda which was the Presentation of the Financial Statements for the Fiscal Year Ended December 31, 2019.

The Chairman explained to the stockholders that the Financial Statements for the preceding year have not been approved by the Board yet as there are still items which are pending discussion and clarification with the Management. Although copies thereof were made part of the materials for the Meeting which were sent to stockholders, this was only for their perusal and information and not for their approval.

**V. AMENDMENT OF ARTICLES I (MEETING OF STOCKHOLDERS) AND II (MEETINGS OF THE BOARD OF DIRECTORS) OF THE COMPANY'S AMENDED BY-LAWS TO ADOPT PROVISIONS ALLOWING CONDUCT OF THE STOCKHOLDERS AND BOARD MEETINGS INCLUDING THE CASTING OF VOTES THROUGH REMOTE COMMUNICATION CONSISTENT WITH THE RELEVANT LAWS AND SEC GUIDELINES**

The meeting then proceeded to take up the next item on the Agenda which pertains to the:

Amendment of Articles I and II of the Company's Amended By-Laws to Adopt Provisions Allowing the Conduct of the Stockholders' and Board Meetings Including the Casting of Votes through Remote Communication Consistent with the Relevant Laws and SEC Guidelines

Upon motion made and duly seconded, the following resolution was approved by the vote of Shareholders owning 30,377,204 shares or 61.99% of the total outstanding shares:

**Resolution No. ASM-2020-02**

“RESOLVED, as it is hereby resolved, that the stockholders representing at least majority of the outstanding capital stock, ratified the resolution approved by at least a majority of the members of the Board of Directors in its meeting held on October 08, 2020 approving the further amendment of Articles I and II of the Company's Amended By-Laws to incorporate and adopt provisions allowing the conduct of Stockholders’ and Board Meetings including the casting of votes through remote communication consistent with the relevant laws and SEC guidelines, to read as follows:

Article I  
Meeting of the Stockholders

Section 7. Meeting through Remote Communication

The Board may, in its sole discretion, determine that any meeting of stockholders shall be held solely by means of Remote Communications such as videoconferencing, teleconferencing, computer conferencing, audio conferencing, or other available technology as may be permitted under the Revised Corporation Code and relevant guidelines issued by the Securities and Exchange Commission or its equivalent regulatory body ("Law"). If any such means are utilized, the Corporation shall, to the extent required under the Law, implement reasonable measures to: (i) verify the identity of each person participating through such means as a stockholder; and (ii) provide the stockholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders. Participation of a stockholder in a meeting through remote communication pursuant to this Section 7 constitutes presence in the meeting for the purpose of attaining quorum.

Article II  
Meeting of the Board of Directors

Section 6. Meeting through Remote Communication

Members of the Board or of any committee designated by the Board may participate in a meeting of the Board or such committee by any means of remote communications such as videoconferencing, teleconferencing, computer conferencing, audio conferencing, or other available technology as may be permitted under the Revised Corporation Code and relevant guidelines issued by the Securities and Exchange Commission or its equivalent regulatory body ("Law"). If any such means are utilized, the Corporation shall, to the extent required under the Law, implement reasonable measures to: (i) verify the identity of each person participating through such means as a director or member of the committee, as the case may be, and

(ii) provide the directors or members of the committee a reasonable opportunity to participate in the meeting and to vote on matters submitted to the directors or members of the committee. Participation in a meeting pursuant to this Section 6 constitutes presence in the meeting for the purpose of attaining quorum."

## **VI. RATIFICATION OF ACTS OF THE BOARD OF DIRECTORS AND OFFICERS DURING THE PRECEDING YEAR**

The Chairman explained that specific acts of the Board of Directors and Officers sought to be considered for approval are only the following:

Ratification of the following acts the Board of Directors and Officers adopted:

- Election of officers & members of the Board of Directors and Board Committees;
- Amendment to the Company's Amended By-Laws to allow board and stockholders' meetings through remote communication;
- Disclosures/report to the Securities & Exchange Commission;
- Minutes of the Special Board Meetings held on October 08, 2020 and December 02, 2020, respectively, and all actions taken/arising therefrom.

After discussion and upon motion made and duly seconded, the following resolution was passed and approved by the vote of Shareholders owning 30,377,204 shares or 61.99% of the total outstanding shares:

### **Resolution No. ASM-2020-03**

"RESOLVED, as it is hereby resolved, that the foregoing enumerated acts of the Board of Directors and Officers be, as the same are hereby approved, ratified and confirmed."

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

Upon request of the Chairman of the Meeting, Mr. Jaime Fernandez, Acting Chairman of the Nomination Committee, explained that in accordance with the Amended By-Laws & Code of Corporate Governance as well as the Rules of the SEC, the nominees nominated to the Board of Directors of the Company were all found to have the qualification and none of the disqualifications to serve as directors.

Upon the request of the Chairman, the Secretary announced that the eight (8) nominees were elected for a new term based on the results of the tabulation of votes which showed each had received 30,377,204 which represent 61.99% of the total outstanding shares, namely:

1. Roberto C. Fernandez
2. Jaime C. Fernandez
3. George Sycip
4. Paul P. Sagayo, Jr.
5. Maria Elena C. Fernandez
6. Forentino M. Herrera, III.
7. Luis Miguel A. Cacho
8. Danilo R. Deen (Independent Director)

Mr. Danilo R. Deen was elected as independent director of the Company.

At this juncture, Mr. Roberto C. Fernandez, expressed gratitude and appreciation to the outgoing Chairman, Mr. Jose L. Arguelles, for his support and service to the Board including his guidance to the Management through the years.

He also welcomed the incoming members of the Board, Atty. Paul P. Sagayo, Jr. and Mr. Luis Miguel A. Cacho, expressing optimism they will contribute fresh insights and ideas to the Board.

#### **VIII. APPOINTMENT OF EXTERNAL AUDITORS FOR FISCAL YEAR 2020**

The next item on the agenda was the election of the Company's External Auditors for the fiscal year 2020.

Upon motion made and duly seconded, Reyes, Tacandong & Company was re-appointed as External Auditor for FY 2020 with the vote of Shareholders owning 30,377,204 shares representing 61.99% of the total outstanding shares of the Company.

#### **IX. ADJOURNMENT**

There being no other matters to discuss, upon motion made and duly seconded, the meeting was adjourned.

#### **PREPARED BY:**

ELPIDIO C. JAMORA, JR.  
Secretary of the Annual Meeting of Stockholders

#### **ATTESTED BY:**

ROBERTO C. FERNANDEZ  
Chairman of the Annual Meeting of Stockholders