

# **ASIABEST GROUP INTERNATIONAL INC.**

20<sup>th</sup> Flr., The Peak Tower, 107 L.P. Leviste St.,  
Legaspi Village, Makati City

## **MINUTES OF THE ANNUAL MEETING OF STOCKHOLDERS**

The Stockholders of Asiabest Group International Inc. ("Corporation"), a corporation duly organized and existing under the laws of the Philippines with office address at the 20<sup>th</sup> Flr., The Peak Tower, 107 L.P. Leviste St., Legaspi Village, Makati City held its Annual Meeting on 7 December 2016 at Makati Sports Club, at 11:00 am. During the meeting, stockholders representing approximately 92.72% of the outstanding capital stock of the Company were present in person or by proxy, being more than 2/3 majority of the shareholders of the Corporation and thereby constituting a quorum.

*Atty. Antonio V.F. Gregorio III* acted as Chairman of the meeting. *Atty. Venus L. Gregorio* acted as Secretary of the meeting and recorded the minutes thereof.

### **1. CALL TO ORDER**

The Chairman called the meeting to order at 11:00 am after the Secretary certified on the existence of a quorum.

### **2. APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING HELD ON 10 DECEMBER 2015**

The Chairman informed the Shareholders of the need to approve and ratify the minutes of the 2015 Annual Stockholders' Meeting held on 10 December 2015. The reports were earlier circulated among the shareholders and a reading of the minutes was dispensed with. After a motion was duly made and seconded, the Shareholders voted to approve the minutes of the 2015 Annual Stockholders' Meeting held on 10 December 2015.

### **3. ANNUAL REPORT OF THE PRESIDENT / CHAIRMAN**

The Chairman delivered the 2015 Annual Management Report on the financial highlights of the Corporation. After the report, a motion was made for the approval of the Management Report and that the same be appended to the minutes of this meeting. After deliberation, the Shareholders voted to approve the Management Report and to append the same to the minutes of the meeting

### **4. ADOPTION OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015**

The Chairman proceeded to discuss the next item in the Agenda Re: approval of the Audited Financial Statements for the year 2015. The Audited FS have been previously disclosed through the PSE website and attached to the Form 20-IS which were distributed to the stockholders for purposes of the meeting. Upon motion made and seconded, the Shareholders approved and adopted the Audited Financial Statement of the Company for the year 2015.

**5. APPROVAL OF ALL ACTS OF THE BOARD OF DIRECTORS AND MANAGEMENT FOR THE PERIOD COVERED FROM THE LAST ANNUAL STOCKHOLDERS MEETING OF THE CORPORATION HELD ON 10 DECEMBER 2015 TO 7 DECEMBER 2016**

The Chairman informed the Shareholders of the need to approve and ratify all acts of the Board of Directors and Management from the date of the 2015 Stockholders' Meeting. Said acts, which were duly reported in SEC Forms 17-C and corresponding PSE disclosures consist of the following:

Date	Report
10 December 2015	<ul style="list-style-type: none"> <li>- Results of Annual Stockholders' Meeting. Approval of the following:               <ul style="list-style-type: none"> <li>• Minutes of the Annual Stockholders' Meeting held on 16 December 2014.</li> <li>• Annual Report of the President / Chairman.</li> <li>• Adoption of the Audited Financial Statements for the Year Ended 31 December 2014.</li> <li>• All acts of the Board of Directors and Management for the period covered from the last Annual Stockholders Meeting of the Corporation held on 16 December 2014 to the date of the Annual Stockholders Meeting.</li> <li>• Appointment of SGV &amp; CO as the Company's External Auditor.</li> <li>• Election of directors.</li> </ul> </li> </ul>
10 December 2015	<ul style="list-style-type: none"> <li>- Results of the Organizational Meeting of the Board of Directors               <ul style="list-style-type: none"> <li>• Election of the Officers of the Corporation</li> <li>• Appointment of Committee memberships</li> </ul> </li> </ul>
6 April 2016	<ul style="list-style-type: none"> <li>- Results of the Quarterly Meeting of the Board of Directors (2nd Quarter)               <ul style="list-style-type: none"> <li>• Board Approval of the Annual Audited Financial Statements, Annual Report and Annual Corporate Governance Report (ACGR) for the year ended 31 December 2015.</li> <li>• Postponement of the Annual Stockholders' Meeting scheduled to be held on 3rd Monday of May to the third quarter of 2016 at a specific date and time to be determined by the President.</li> </ul> </li> </ul>
11 August 2016	<ul style="list-style-type: none"> <li>- Results of the Quarterly Meeting of the Board of Directors (3rd Quarter)               <ul style="list-style-type: none"> <li>• Board Approval of the Second Quarter Financial Statements.</li> <li>• Postponement of the Annual Stockholders' Meeting scheduled, per by-laws, to be held on the 3rd Monday of May to be held on the fourth quarter of 2016 at a specific date and time to be determined by the President.</li> </ul> </li> </ul>
25 October 2016	<ul style="list-style-type: none"> <li>- Results of the Meeting of the Board of Directors               <ul style="list-style-type: none"> <li>• Authorization to implement the capital raising program of the Corporation.</li> <li>• Authorization to increase the authorized capital of the Corporation from Two hundred million Pesos (P 200,000,000.00) divided into Two hundred million (200,000,000) shares to Six hundred million Pesos (P 600,000,000.00) divided into six hundred million (600,000,000) shares.</li> <li>• Authorization for the President to sign and execute the necessary Investment / Subscription Agreements with the Company's Investor/s.</li> </ul> </li> </ul>

Upon motion made and seconded, the Shareholders approved and ratified all the acts of the Board of Directors and Management for the preceding year.

## **6. APPOINTMENT OF SGV & CO AS THE COMPANY'S EXTERNAL AUDITOR**

The Chairman discussed the need to appoint and confirm the appointment of SGV & Co as the Company's External Auditor for the calendar year 2016. Upon motion made and seconded, the Shareholders approved the appointment of SGV & CO as the Company's External Auditor for the calendar year 2016.

## **7. ELECTION OF DIRECTORS**

The Corporate Secretary certified to the list of nominees for Directors who were nominated in accordance with the By-laws of the Corporation. A motion was made that all shares present or represented during the meeting be voted in favor of the election of the nominees. After tallying of the votes, it was confirmed that 92.72% of the total outstanding shares of the Company voted in favor of the election of the following Directors:

<b>Name</b>	<b>Nationality</b>
Antonio Victoriano F. Gregorio III	Filipino
Delfin S. Castro, Jr.	Filipino
Chi Ho Co	Filipino
Richard William N. Palou	Filipino
Ramoncito B. Cabalu	Filipino
Job Adrian M. Ambrosio	Filipino
Leonardo S. Gayao	Filipino
Felixes G. Latonero (Independent Director)	Filipino
Manuel G. Ong (Independent Director)	Filipino

Messrs. Latonero and Ong submitted their credentials to support their qualifications for the positions of Independent Directors. The Company adopts SRC Rule 38 (Requirements on Nomination and Election of Independent Directors) and compliance therewith has been made. The Company always undertakes to abide by the existing SRC Rule 38 on the required number of independent directors subject to any revision that may be prescribed by the SEC.

## **8. APPROVAL OF THE IMPLEMENTATION OF THE CAPITAL RAISING PROGRAM OF THE CORPORATION AS APPROVED BY THE BOARD OF DIRECTORS AND THE STOCKHOLDERS ON 17 JUNE 2011 AND 7 OCTOBER 2011, RESPECTIVELY.**

The Company sought approval and ratification of the planned implementation of the capital raising program of the Corporation as approved by the Board of Directors and the Stockholders on 17 June 2011 and 7 October 2011, respectively. Pursuant to said authority, the authorized capital stock of the Company may be increased in several parts / tranches from Two hundred million Pesos (P 200,000,000.00) divided into Two hundred million (200,000,000) shares to UP to Two Billion Pesos (P 2,000,000,000.00) divided into Two billion (2,000,000,000) shares, as may be determined by the Board. The Company will trigger the capital raising program via an increase in the authorized capital of the Corporation from Two hundred million Pesos (P 200,000,000.00) divided into Two hundred million (200,000,000) shares to Six hundred million Pesos (P 600,000,000.00) divided into six hundred million (600,000,000) shares.

Upon motion made and seconded, the Shareholders approved and adopted the capital raising program of the Corporation as approved by the Board of Directors and the Stockholders on 17 June 2011 and 7 October 2011, respectively and by the Board of Directors on 25 October 2016 via the following resolutions:

“RESOLVED, AS IT IS HEREBY RESOLVED, that Asiabest Group International Inc. approves, as it hereby approves, the implementation of the capital increase in several parts / tranches from Two hundred million Pesos (₱200,000,000.00) divided into Two hundred million (200,000,000) shares to UP to Two Billion Pesos (₱2,000,000,000.00) divided into Two billion (2,000,000,000) shares, both with par value of One peso (₱1.00) per share.

“RESOLVED, FURTHER, that the Board shall issue the shares via the capital increase by implementing the 2011 approved actions and thus hereby re-affirms and re-adopts said approvals.

“RESOLVED, FURTHER, that the Board of Directors of Asiabest Group International Inc. approves, as it hereby approves, the implementation of the first tranche of capital increase from Two hundred million Pesos (₱200,000,000.00) divided into Two hundred million (200,000,000) shares to Six hundred million Pesos (₱600,000,000.00) divided into six hundred million (600,000,000) shares, both with par value of One peso (₱1.00) per share.

“RESOLVED FINALLY, that the President and / or the Chairman be, as they are hereby authorized to sign the documents required and / or necessary to implement the said Investment / Subscription Agreement with the Company's investor.”

**9. APPROVAL OF THE SUBSCRIPTION AGREEMENT WITH MR. VITTORIO PAULO P. LIM AND WAIVER OF THE REQUIREMENT TO CONDUCT A RIGHTS OR PUBLIC OFFERING**


The Corporate Secretary informed the Chairman that the Company approved certain matters that need shareholders' approval and ratification.

The Company approved the first tranche of increase of the authorized capital stock of the Company from Two hundred million Pesos divided into two hundred million shares to six hundred million Pesos divided into six hundred million shares. To carry out the capital increase, a Subscription Agreement was executed with Mr. Vittorio Paulo P. Lim on 23 November 2016 for subscription to one hundred million pesos consisting of one hundred million shares at a par value of one peso per share with a waiver of the requirement to conduct a rights or public offering of the said shares.


Upon motion made and seconded, the Shareholders approved the Subscription Agreement between the Company and Mr. Vittorio Paulo P. Lim executed on 23 November 2016 with a waiver of the requirement to conduct a rights or public offering of said shares.

**9. ADJOURNMENT**

There being no further business to transact, the meeting thereupon adjourned.

  
**Venus L. Gregorio**  
Secretary of the Meeting

Attest:

  
**Antonio Victoriano F. Gregorio III**  
Chairman of the Meeting

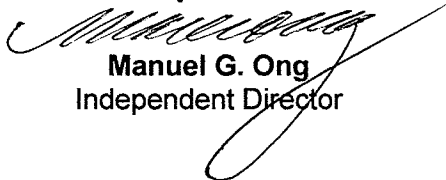
  
**Delfin S. Castro, Jr.**  
Director / Treasurer

  
**Chi Ho Co**  
Director

  
**Felixes G. Latonero**  
Independent Director

  
**Richard N. Palou**  
Director

  
**Ramoncito B. Cabalu**  
Director

  
**Manuel G. Ong**  
Independent Director