

**MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING
OF**

FILIPINO FUND, INC.

Held via remote communication
Under the platform of Zoom Video Communications
May 9, 2023 (Tuesday)
9:00 a.m.

The Annual Stockholders' Meeting of Filipino Fund, Inc. ("FFI" or the "Corporation") was held via remote communication using the platform of Zoom Video Communications.

1. CALLING OF MEETING TO ORDER

Before the start of the program, the Corporate Secretary, Atty. Vincent E. Tomaneng, asked the Zoom Video Communications Host, Ms. Jonna C. Llaguno, whether the attendees present today at the 2023 Annual Stockholders' Meeting of FFI held via remote communication (the "ASM") can clearly hear and/or see the entire proceedings. Ms. Llaguno then replied in the affirmative and confirmed the same. Atty. Tomaneng then informed the assembly that the ASM will be duly recorded for future reference and as required by the Securities and Exchange Commission ("SEC").

The Chairman, Dr. Bernardo M. Villegas, welcomed everyone to the 2023 virtual ASM of FFI. He then introduced to the body the Directors and Officers in attendance.

Dr. Villegas then called the meeting to order and presided over the same. Atty. Tomaneng recorded the minutes of the proceedings.

2. CERTIFICATION OF NOTICE OF MEETING AND VOTING PROCEDURES

The Corporate Secretary reported to the Chairman and informed the assembly that written notice of the ASM with the date, time, platform, and agenda has been sent to all stockholders of record as of April 11, 2023 through the following modes:

- a) Publication of the Notice of the ASM in the Business Sections of the Philippine Daily Inquirer and the Philippine Star, both newspapers of general circulation in the Philippines, in both print and online format on April 17, 2023 and April 18, 2023, respectively;
- b) Disclosure of the ASM Notice on the Philippine Stock Exchange Edge portal; and
- c) Posting on FFI's website at www.filipinofund.com.ph.

The Corporate Secretary explained that these alternative modes of notification to the stockholders are in compliance with the guidelines of the SEC per its Notice dated March 13, 2023.

He also told the body that the stockholders had been duly informed about the guidelines for participating via remote communication and the voting procedures as contained in the Notice of the ASM and as indicated in FFI's 2023 Definitive Information Statement which was made available to the stockholders through the PSE Edge Portal and FFI's website. The Definitive Information Statement contains the detailed steps and procedures for participating via remote communication and voting in absentia.



3. **DETERMINATION AND DECLARATION OF QUORUM**

The Corporate Secretary reported to the Chairman and announced to the assembly that there were present at the meeting via remote communication, either personally or as represented by proxies, stockholders owning and/or representing 35,686,627 shares or 71.14% out of the 50,167,397 total issued and outstanding shares of capital stock of FFI entitled to vote at the meeting, as validated by its Stock and Transfer Agent, Stock Transfer Service, Inc. Since more than 50% of the total issued and outstanding shares is present, the Corporate Secretary certified that there is a quorum for the transaction of all matters on the agenda. Thereupon, the Chairman declared that a quorum was present and that the meeting was duly convened and ready to transact business.

4. **APPROVAL OF THE MINUTES OF THE PREVIOUS ANNUAL STOCKHOLDERS' MEETING HELD ON MAY 10, 2022**

The Chairman announced that the first order of business was the approval of the minutes of the annual stockholders' meeting held on May 10, 2022. The Corporate Secretary certified that as indicated in the Notice of the ASM, copies of the said minutes were made available to the stockholders at the Corporation's website at www.filipinofund.com.ph.

The Chairman asked the Corporate Secretary if the proposed resolution has been approved by the shareholders. The Corporate Secretary disclosed that out of the total issued and outstanding common shares entitled to vote, 35,686,627 shares or 71.14% have voted in favor of the proposal as validated by its Stock and Transfer Agent. The Chairman then confirmed the shareholders' approval on the matter as follows:

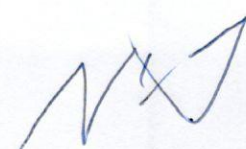
"RESOLVED, That the Minutes of the Annual Stockholders' Meeting of FFI held on May 10, 2022 be, and are hereby, approved *en toto* as recorded."

5. **PRESENTATION AND APPROVAL OF THE 2022 ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE CY ENDING DECEMBER 31, 2022**

The Chairman then announced to the assembly that the next business was the presentation and approval of the Annual Report on the operations and activities of FFI during the calendar year 2022 and FFI's Audited Financial Statements for the year ended December 31, 2022, copies of which were made available to the stockholders through the PSE Edge Portal and the Corporation's website. He then called Mr. Michael Oliver G. Manuel, representing the Fund Manager AB Capital & Investment Corporation, to present the highlights of the Annual Report and 2022 Audited Financial Statements.

Mr. Manuel presented the following highlights:

- a. FFI's Balance Sheet:
 - Decline in the Receivables - majority were reinvested in stocks and some remained in Cash.
 - Unrealized and realized losses for FFI's stock portfolio which led to a 2.95% decline in Net Assets. The decline in the assets compared favorably against the PSEi.
- b. FFI's Income Statement
 - The biggest movements came from net trading gains/losses.
 - The losses are composed of realized and unrealized losses, some of which were attributable to taking a 'sell position' in the Ayala Shares. There was also a decline in the share price of PLDT.



- The net trading losses were offset by a higher dividend income (e.g. ICSI, Semirara Corporation, DMCI, among others).
 - For the expenses – there is an increase in fees and commissions related to the repositioning of the FFI's portfolio.
- c. Net Asset Growth
- The composition of the Fund is as follows: (i) 88% Equities; (ii) 3% UITF; and (iii) 9% Short-term investments;
 - The growth of the FFI Fund has been consistently outperforming the market.
 - PhP 3.97 Net Asset Value ("NAV") per share compared to a PhP3.66 Market Price.

After completing his presentation, Mr. Manuel thanked the audience and then relinquished the floor back to the Chairman.

The Chairman then asked the Corporate Secretary if the proposed resolution has been approved by the shareholders. The Corporate Secretary disclosed that out of the total issued and outstanding common shares entitled to vote, 35,686,627 shares or 71.14% have voted in favor of the proposal as validated by its Stock and Transfer Agent. In view thereof, the Chairman then confirmed the shareholders' approval on the matter as follows:

"RESOLVED, That the Annual Report on the operations and activities of FFI for the calendar year 2022, and the Audited Financial Statements of FFI for the calendar year ending December 31, 2022 which was incorporated in the said Annual Report, be, and are hereby, approved."

6. **MARKET ANALYSIS PRESENTATION**

The Chairman then announced to the assembly that the next item on the agenda is the presentation by Mr. Luis Gregorio I. Francisco ("Mr. Francisco"), representing the Fund Manager, on the Philippine economic and stock market situation. The highlights of Mr. Francisco's report include the following:

- a. A review of the Fund's performance in 2022.
- b. In 2023, the Philippines is expected to benefit from cooling inflation and sustained GDP growth that will surpass most of the country's peers in the region. However, the Fund must remain to be defensively positioned despite the positive outlook due to the following reasons:
 - The global tightening cycle is still ongoing in spite of peak inflation in the US;
 - Developed markets such as the US and the Eurozone are widely expected to dip into recession in 2023; and
 - Corporate earnings forecasts remain optimistic and, in the Fund's view, underestimate the impact of inflation on the consumer as the reopening dynamic fades.

A year-end index level of 7,357 is expected based on a P/E multiple of 14x. The Fund's preferred sectors are: Utilities and Energy, Banking, Mining, Ports, Gaming, and Consumer-Defensive while the Fund remains underweight in Property and Consumer-Discretionary.

- c. For the first five (5) months of 2023, the Fund has registered an increase in NAV of 7% exceeding the PSEi's return of 1.6%, by more than 5.37%.
- d. FFI's NAV has exceeded pre-pandemic levels, and has exceeded PSEi's NAV.

After completing his presentation, Mr. Francisco thanked the audience and then relinquished the floor back to the Chairman.

7. **APPROVAL AND CONFIRMATION OF ALL ACTS OF THE BOARD OF DIRECTORS, OFFICERS, COMMITTEES, AND FUND MANAGER OF FFI FOR THE PRECEDING YEAR**

The Chairman announced that the next item on the agenda is the approval of all acts, proceedings, and resolutions of FFI's Board of Directors, Officers, Committees, and its Fund Manager during the intervening year, subsequent to last year's Annual Meeting.

The Chairman asked the Corporate Secretary if the proposed resolution has been approved by the shareholders. The Corporate Secretary disclosed that out of the total issued and outstanding common shares entitled to vote, 35,686,627 shares or 71.14% have voted in favor of the proposal as validated by its Stock and Transfer Agent. In view thereof, the Chairman then confirmed the shareholders' approval on the matter as follows:

"RESOLVED, That all acts, resolutions, and proceedings of the Board of Directors, Committees, and the Fund Manager of FFI, heretofore adopted and taken at their various meetings held during the past year and as recorded in the minutes of their respective meetings, and all acts of the Officers of FFI during the past year in carrying out and promoting the interests and business of FFI be, as the same are hereby, approved, ratified and confirmed."

8. **APPOINTMENT OF EXTERNAL AUDITOR**

The Chairman announced that the next item on the agenda is the approval of the appointment of SyCip, Gorres, Velayo & Co. ("SGV & Co.") as the external auditor of FFI for the year ending December 31, 2023.

The Chairman asked the Corporate Secretary if the proposed resolution has been approved by the shareholders. The Corporate Secretary disclosed that out of the total issued and outstanding common shares entitled to vote, 35,686,627 shares or 71.14% have voted in favor of the proposal as validated by its Stock and Transfer Agent. In view thereof, the Chairman then confirmed the shareholders' approval on the matter as follows:

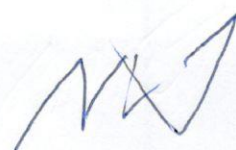
"RESOLVED, to approve the appointment of SGV & Co. as the external auditor of FFI for the calendar year ending December 31, 2023".

9. **ELECTION OF BOARD OF DIRECTORS**

The Chairman then announced that the next business is the election of seven (7) members of the Board of Directors to fill up the seven (7) seats of the Board of Directors as currently provided in the Articles of Incorporation of FFI, who shall occupy their respective positions for one year and until their successors are duly elected and qualified.

The Chairman requested the Corporate Secretary to read out the qualified nominees for this year's Board of Directors in accordance with the Proxy Statement sent. The Corporate Secretary announced the following qualified nominees for election as Directors of FFI for the ensuing year and until their successors are duly elected and qualified:

1. Mr. Frank S. Gaisano
2. Ms. Margaret G. Ang
3. Dr. Bernardo M. Villegas
4. Mr. Joaquin E. Quintos, IV
5. Mr. John G. Tan
6. Mr. Aljim C. Jamandre
7. Atty. Vincent E. Tomaneng



The Chairman asked the Corporate Secretary about the voting results of the election of the Directors. The Corporate Secretary disclosed that out of the total issued and outstanding common shares entitled to vote,

35,686,627 shares or 71.14% have voted to elect Frank S. Gaisano, as validated by its Stock and Transfer Agent.

35,686,627 shares or 71.14% have voted to elect Margaret G. Ang, as validated by its Stock and Transfer Agent.

35,686,627 shares or 71.14% have voted to elect Dr. Bernardo M. Villegas, as validated by its Stock and Transfer Agent.

35,686,627 shares or 71.14% have voted to elect Joaquin E. Quintos IV, as validated by its Stock and Transfer Agent.

35,686,627 shares or 71.14% have voted to elect John G. Tan, as validated by its Stock and Transfer Agent.

35,686,627 shares or 71.14% have voted to elect Aljim C. Jamandre, as validated by its Stock and Transfer Agent.

35,686,627 shares or 71.14% have voted to elect Atty. Vincent E. Tomaneng, as validated by its Stock and Transfer Agent.

Based on the above voting results and there being no other nominees to the Board, Chairman formally announced that all of the above seven (7) individuals are duly elected as Directors of FFI for the ensuing year and until their successors are duly elected and qualified.

10. **APPROVAL OF THE 1-YEAR TERM EXTENSION OF INDEPENDENT DIRECTORS, BERNARDO M. VILLEGAS AND JOHN G. TAN**

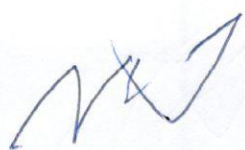
The Chairman then announced that the next order of business is the approval of the 1-year term extension of Independent Directors, Bernardo M. Villegas and John G. Tan.

The Chairman asked the Corporate Secretary if the proposed resolution has been approved by the shareholders. The Corporate Secretary disclosed that out of the total issued and outstanding common shares entitled to vote, 35,686,627 shares or 71.14% have voted in favor of the proposal as validated by its Stock and Transfer Agent. In view thereof, the Chairman then confirmed the shareholders' approval on the matter as follows:

"RESOLVED, to approve the 1-year term extension of Independent Directors, Bernardo M. Villegas and John G. Tan."

11. **OTHER MATTERS**

The Chairman then informed the assembly if there are any matters that the stockholders would like to discuss. The Corporate Secretary stated that there was nothing of particular importance that the Board has conveyed to discuss. Further, the Corporate Secretary informed the body that there will be no open forum during the ASM as indicated in the ASM Notice. The stockholders, may however, send their questions about the ASM and about the Corporation to its Compliance Officer at jcllaguno@abcapital.com.ph and/or corporatesecretary@filipinofund.com.ph. She will reply accordingly. The deadline for the stockholders to email their questions shall be five (5) calendar days from today or until May 14, 2023.



12. **ADJOURNMENT**

There being no other business to transact, the meeting was, on motion duly made and seconded, adjourned at around 9:50 am. The Chairman then thanked everyone from joining the virtual ASM.

PREPARED BY:

A handwritten signature in blue ink, appearing to read 'V. E. Tomaneng', is written over the printed name and title.

VINCENT E. TOMANENG
Corporate Secretary

ATTESTED BY:

BERNARDO M. VILLEGAS
Chairman of the Meeting