

**MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING OF PRYCE CORPORATION HELD  
AT THE ISABELA BALLROOM B & C, MAKATI SHANGRI-LA, CORNER AYALA AND MAKATI AVENUES,  
MAKATI CITY ON FRIDAY, JUNE 28, 2019 AT 4:00 P. M.**

The Chairman and Chief Executive Officer, Mr. Salvador P. Escaño, presided and called the meeting to order at 4:00 p.m. The undersigned as Corporate Secretary certified that notices of the meeting were sent to stockholders of record as of June 10, 2019, at their given addresses on June 14, 2019, and published in a newspaper of general circulation, the Manila Bulletin on the same day, June 14, 2019. It was also certified that a quorum was present because 1,553,985,947 shares out of the issued and outstanding shares of 2,013,226,500 or 77.19% entitled to vote were present in person and by proxy.

The next item on the agenda was the reading and approval of the minutes of the annual stockholders meeting held on June 28, 2018. Inasmuch as the stockholders present were given their copies of the said minutes before the meeting, on motion duly made and seconded, it was unanimously

"RESOLVED, that the reading of the minutes of the annual meeting held on June 28, 2018, be, dispensed with and the same be, as it is hereby, approved".

The next order of business was the report of the President or the Management Report. Likewise, copies of the Management Report to the Stockholders were furnished them before the meeting as well as the Audited Financial Statements as of December 31, 2018. Nevertheless, the President, Mr. Efren A. Palma, was requested by the Chairman to render a brief oral report on the results of operations in 2018 with comparative figures to the previous year, 2017, as follows:

- Pryce Corporation posted a consolidated net income of Php 1.41 billion for the year ended December 31, 2018, a 12% increase from Php 1.25 billion in 2017. Consolidated revenues grew by 11.34% to Php 10.27 billion from the year-ago figure of Php 9.23 billion.
- Ninety-three percent (93%) of the group's consolidated revenues came from the sale of Liquefied Petroleum Gas (LPG) and accessories amounting to Php 9.58 billion, four percent (4%) from the sale of industrial gases amounting to Php 422.25 million, two percent (2%) from real estate sales amounting to Php 227 million, and the remaining one percent (1%) from the sale of pharmaceutical products amounting to Php 44.37 million.
- Earnings per share for 2018 was Php 0.636, which is a 12.1% improvement over the Php 0.567 per share in 2017.
- In 2018, Pryce Gases, Inc. (or PGI) completed the expansion of its LPG import terminals in Sogod, Cebu and Balingasag, Misamis Oriental. Also in 2018, a total of 12 LPG refilling plants and 20 sales centers were put up across Visayas and Mindanao.
- PGI's expansion program will continue in 2019. A new 2,000-MT import terminal will be built in Lila, Bohol. The storage capacities of terminals will be increased in the following areas: Ajuy, Iloilo, Ayungon, Negros Oriental, Zamboanga City, and Lugait, Misamis Oriental. At least ten (10) more LPG refilling plants and more sales centers will be built in various places across the country. All of these expansions are funded from internally generated funds.
- The company is aiming to achieve a net income of Php 1.6 billion (plus or minus 10%) for the year 2019. We are optimistic about the company's prospects for 2019 on account of strong household incomes given steady OFW remittances and new job opportunities in a growing economy. This is a welcome environment to our company's expansion projects that will be complemented by vigorous marketing and sales efforts in order to widen the scope of our market and bring our LPG products closer to the consumers. However, the income tax holidays, which were enjoyed by the company's San Fabian, Pangasinan import terminal, have expired last December 31, 2018 and hence will have an adverse impact on net income in the coming years.

After some questions, clarifications and answers thereon, on motion duly made and seconded, it was unanimously

"RESOLVED, that the report of the President or the Management Report for the year ending December 31, 2018, be, as they are hereby, approved."

The next order of the business was the approval of the Annual Report and the Financial Statements of the Company for the year ended December 31, 2018. The Chairman requested the President of the Corporation to brief the stockholders about the Annual Report and the Financial Statements. As the President was about to render the report about the Corporation's operations for the year ending December 31, 2018, a motion was made to dispense with it inasmuch as they were already stated in the Information Statement and Management Report

that were provided the stockholders before the meeting; moreover, the highlights of said were already stated earlier in the President's oral report. And on motion duly made and seconded, it was unanimously

"RESOLVED, that the report of the operations of the Corporation for the fiscal year ending December 31, 2018, as well as the Audited Financial Statements for the same period, be, as they are hereby, approved."

The Chairman then stated that the next item on the agenda was the ratification of all acts and transactions entered into by the Board of Directors and its Officers. The stockholders present were informed that the copies of the management acts are available at the Head Office of the Corporation for verification during regular working hours of any working days. There being no questions on the acts and transactions entered into by the Board of Directors and its Officers, on motion duly made and seconded, it was unanimously

"RESOLVED, that the acts and transactions entered into by the Board of Directors and Officers of the Corporation on the latter's behalf, be, as it is hereby, ratified."

The next item on the agenda was the election of the Board of Directors of the Corporation to hold office for one year until their successors are duly elected and qualified. On motion duly made and seconded, the following stockholders were unanimously elected for the year 2019.

- |                              |                        |
|------------------------------|------------------------|
| 1. Salvador P. Escaño        | - Chairman             |
| 2. Ramon R. Torralba         | - Director             |
| 3. Efren A. Palma            | - Director             |
| 4. Xerxes Emmanuel F. Escaño | - Director             |
| 5. Ray W. Jovanovich         | - Director             |
| 6. Gener T. Mendoza          | - Independent Director |
| 7. Arnold L. Barba           | - Independent Director |

The next item on the agenda was the appointment of the Corporation's external auditors. Upon motion duly made and seconded, it was unanimously

"RESOLVED, that the accounting firm of **Diaz Murillo Dalupan and Company** be, as it is hereby, appointed external auditor of the Corporation for the current fiscal year".

There being no further business to take up, the meeting was, on motion duly made and seconded, adjourned at 4:56 p.m.

  
**FELICIANO B. HATUD**  
Corporate Secretary

A T T E S T E D :

  
**SALVADOR P. ESCAÑO**  
Chairman