

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING OF PRYCE CORPORATION
HELD AT THE RIGODON BALLROOM, MANILA PENINSULA,
CORNER OF AYALA AND MAKATI AVENUES, MAKATI CITY
ON FEBRUARY 05, 2021 AT 4:00 O'CLOCK IN THE AFTERNOON

DIRECTORS PRESENT:

1. SALVADOR P. ESCAÑO
2. EFREN A. PALMA
3. RAMON R. TORRALBA
4. GENER T. MENDOZA

DIRECTORS ABSENT:

ARNOLD L. BARBA
XERXES EMMANUEL F. ESCAÑO
RAY W. JOVANOVIH

OTHERS PRESENT:

FELICIANO B. HATUD, Corporate Secretary

1. CALL TO ORDER AND DETERMINATION OF QUORUM

In accordance with the Amended By-Laws of the Corporation, the Chairman, Mr. Salvador P. Esgaño, presided over the meeting and called the meeting to order.

The Chairman requested the Corporate Secretary, Mr. Feliciano B. Hatud, to report on the service of notices and presence of a quorum.

The Corporate Secretary certified that notices of this Annual Stockholders' Meeting were sent to all stockholders of record as of January 22, 2021 on January 25, 2021, and further published in the Philippine Daily Inquirer and the Manila Times on January 22 and 23, 2021.

As of January 22, 2021, the record date, the total outstanding shares of capital stock of the Corporation consisted of 1,939,477,369 common shares. The Corporate Secretary certified that, taking into account the preliminary registration, there were present/represented in the meeting, in proxy or by proxy, stockholders holding a total of 1,542,576,047 common shares which is approximately 79.54% of the total outstanding shares of capital stock of the Corporation, thereby constituting a quorum.

2. APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING

The Chairman stated that the next order of business was the reading and approval of the minutes of the previous Annual Stockholders' Meeting held on June 29, 2019. The Corporate Secretary certified that the minutes of the previous meeting were sent to the stockholders thru the Information Sheet sent on January 15, 2021.

On motion duly made and seconded, it was unanimously—

"RESOLVED, that the reading of the minutes of the annual meeting held on 29 June 2019, be, dispensed with and the same be, as it is hereby, approved."

3. PRESIDENT'S REPORT

The Chairman moved on to the next item on the agenda which was the President's Report. A copy of the report was presented to the stockholders thru the use of projector screens at the meeting venue. The Chairman then introduced the President of the Corporation, Mr. Efren A. Palma, to briefly discuss the highlights of the results of the operations in 2019 compared with the previous year.

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- Pryce Corporation and its subsidiaries have a consolidated income of Php 1.519 billion pesos for the year 2019 which is 8.26% higher than the previous year's PhP 1.403 billion pesos. The Php 1.519 billion net income is within the range of the Corporation's target.

- The Company's 2019 revenue of Php 10.630 billion is a 3.48% increase over last year's Php 10.273 billion. Revenue contribution by product is as follows:

- a. Liquefied petroleum gas and LPG-related products – Php 10 billion (94.06%);
- b. Industrial gases – Php 452.30 million (4.25%);
- c. Real estate – Php 128.1 million (1.21%);
- d. Pharmaceutical products – Php 51.0 million

- LPG Sales volume grew by 8.95% to 219,884 metric tons (MT) from last year's volume of 201,826 MT. The Corporation's Luzon operations achieved a 9.42% growth in sales volume, while VISMIN sales grew by 8.35%.

- The earnings per share based on comprehensive income for 2019 is Php 0.7826 per share, which is an 8% improvement over the Php 0.7229 per share reported in the previous year.

- On the Corporation's LPG market share, latest data from the Department of Energy show that, as of the 3rd quarter of 2020, Pryce Gases, Inc., improved its aggregate market shares from 10.6% in 2019 (nationwide) to 12.8% in 2020. The DOE also reports that it is the 2nd major player, after Petron Corporation, in the Vis-Min market, with 25% share of this combined market. Its market shares in the Visayas and Mindanao regions were 23% and 27%, respectively.

A short video showcasing the Corporation's San Fabian terminal in Pangasinan was then presented before the stockholders.

Upon motion duly made and seconded, it was unanimously—

"RESOLVED, that the President's report or the Management Report for the year ending in December 31, 2019, be, as they are hereby, is hereby approved."

5. RATIFICATION OF ACTS OF THE BOARD OF DIRECTORS

The Chairman then proceeded to the next item on the agenda which was the ratification of the acts of the Board of Directors and Management. The resolutions are summarized in the Information Sheet provided to the stockholders.

Upon motion duly made and seconded, it was unanimously—

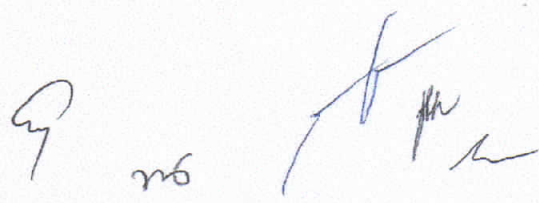
"RESOLVED, that the acts and resolutions of the Board of Directors and Management of the Corporation on the latter's behalf, be, as it is hereby, approved and ratified."

5. ELECTION OF BOARD OF DIRECTORS

The Chairman informed the stockholders that next on the agenda is the election of the members of the Board of Directors. The nominated stockholders were:

1. Salvador P. Escaño
2. Ramon R. Torralba, Jr.
3. Efren A. Palma
4. Xerxes Emmanuel F. Escaño
5. Ray W. Jovanovich
6. Gener T. Mendoza
7. Thomas G. Aquino

On motion duly made and seconded the above-named stockholders were unanimously elected for the year 2021.

The block contains several handwritten signatures and initials in blue ink. On the left, there is a large, stylized signature. To its right are smaller initials, possibly 'mb'. Further right is another large, bold signature. On the far right, there are more initials, including one that looks like 'ph' and another that looks like 'h'.

6. APPOINTMENT OF EXTERNAL AUDITORS

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 year 2020."

7. AUDITED FINANCIAL STATEMENTS

The Chairman then proceeded with the next order of business on the agenda which was the approval of the annual report and audited financial statements of the Corporation for the year ended in December 31, 2019. Copies of the Annual Report and the Audited Financial Statements have already been provided to the stockholders also through the Information Sheet.

Upon motion duly made and seconded, it was unanimously—

"RESOLVED, that the report of the operations of the Corporation for the fiscal year ending in December 31, 2019, as well as the Audited Financial Statements for the same period, be, as they are hereby, approved."

8. ADJOURNMENT

There being no further business, upon motion duly made and seconded, the meeting was adjourned at 5:18 in the afternoon.


FELICIANO B. HATUD
Corporate Secretary

A T T E S T:


SALVADOR P. ESCANO
Chairman

READ AND APPROVED:


SALVADOR P. ESCANO


GENIER T. MENDOZA


RAMON R. TORRALBA


EFREN A. PALMA