

**MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING**  
*of*  
**FIGARO COFFEE GROUP, INC.**  
Held on 9 December 2022  
via videoconference

<https://us02web.zoom.us/j/87490621233?pwd=Yk5nNzYvenUvcFEvc3FUM1VybU92Zz09>

*Share Information*

Total Number of Issued and Outstanding Shares	4,648,187,003
Total Number of Shares Represented at the Meeting	3,639,369,004
Percentage of Shares Represented	78.29%

Please refer to the Certificate of Attendance dated 09 December 2022 issued by PNB Trust Banking Group

*Present*

Justin T. Liu	-	Director/Chairman
Divina Gracia G. Cabuloy	-	Director/President/CEO
Michael Stephen T. Liu	-	Director
Brian Gregory T. Liu	-	Director
Senen L. Matoto	-	Independent Director
Corazon P. Guidote	-	Independent Director
Hector Villanueva	-	Independent Director

*Also Present*

Jerry S. Liu	-	Chairman Emeritus
Atty. Lowela L. Concha	-	Corporate Secretary
Jose Petronio Espanol III	-	Chief Finance Officer
Marilou R. Roca	-	Chief Accounting Officer
Atty. Gabriel A. Dee		
Representatives from R.S. Bernaldo and Associates		
Representatives from PNB Trust Banking Group		

**PROCEEDINGS**

**I. Call to Order**

The virtual meeting, which was conducted online in compliance with the requirements imposed by the Securities and Exchange Commission, was called to order by the Chairman, Mr. Justin T. Liu, who thereupon presided over the same. The Corporate Secretary, Atty. Lowela L. Concha, recorded the minutes of the proceedings.

**II. Certification of Notice and Quorum**

At the request of the Chairman, the Corporate Secretary certified that based on the records, notice of the annual meeting of the stockholders of the Company for the year 2022 was published: (i) in print format of the Business Mirror and The Manila Times; and (ii) through a digital print copy also of the Business Mirror and The Manila Times; on November 3 and 4, 2022; that there were represented in the meeting, in persons or by proxy, stockholders owning or representing a total of 3,639,369,004 common shares representing 78.29% of the total issued and outstanding voting stock of the Company; and that there was therefore a quorum at this meeting.

At the request of the Chairman, the Corporate Secretary confirmed that the shareholders have been informed on the manner of voting for this meeting, details of which were provided on pages 35 and 36 of the Definitive Information Statement. The Corporate Secretary explained that a stockholder may vote by either: (i) submitting a proxy in writing, in the form provided in the Information Statement, signed and filed by the stockholder on or before December 2, 2022; or (ii) voting electronically, through the Company's Electronic Registration and Online-Voting System at <https://figaro.ph/annual-stockholders/>, in both cases, subject to validation procedures.

The Chairman then reminded the shareholders that they may vote their shares online at any time during the meeting prior to the closing of the polls.

### **III. Approval of the Minutes of the Annual Stockholders' Meeting held on 25 July 2021**

Based on the tally of votes received, stockholders representing more than a majority of the entire outstanding voting stocks of the Corporation (shareholders holding 3,637,766,004 shares or 78.26%) resolved to approve the minutes of the Annual Stockholders' Meeting held on 25 July 2021 in its entirety.

### **IV. Approval of the President's Report and Annual Report for the Fiscal Year ended June 30, 2022**

The President, Ms. Divina Gracia Cabuloy, reported on the financial condition and results of operations of the Company for the year July 2021 – June 30, 2022. The highlights of her report are as follows:

- The number of total stores of the Corporation grew from 107 to 146 over the last year;
- More "Dual Concept" stores have opened in larger locations in order to maximize the space and overhead;
- Five new Figaro Coffee branches opened with locations in Makati, Acienda Silang, North EDSA, Sucat, and Baliwag, with the introduction of new Keto products, pastries, and healthy drinks;
- Angel's Pizza opened 36 new store locations across Cebu, Cavite, Ortigas, BGC, Laguna, Quezon City, Paranaque, Antipolo, Malabon, Manila, Rizal, Makati, Caloocan, Bulacan, Tarlac, Sucat, Bacolod, Marikina, and Baliwag;
- One new branch of Tien Ma's was opened in Waltermart North EDSA which introduced smaller and more affordable menu options;
- TFG Express was rebranded into Café Portofino, with one new store opening in West Rembo, Makati City;
- With the re-opening after lockdowns due to the COVID-19 pandemic, institutional accounts have likewise continued while channel partnerships have continued to grow;
- Corporate Social Responsibility activities have likewise resumed post pandemic;
- Financial highlights include the following (for the fiscal year ended 30 June 2022):
  - Revenues increased from 2020 to 2021 by 56% and by 80% in 2021 to 2022;
  - From 2021 to 2022, gross profit improved from 36.3% to 49%; and
  - Net income margin slightly declined from 11.8% in 2021 to 10.8% in 2022.
- Lastly, an update was also given based on the unaudited figures from July to September 2022, as follows:
  - Revenue is currently at PHP 1.08 Billion, up 56.9% from the same period last year;
  - Gross profit margin steady at 34% vs. same period last year; and
  - Net income grew by 36.5% vs. same period last year, with Net income margin at 10.9%.

Furthermore, shareholders raised various questions during the course of the meeting, which were answered by the management of the Company.

Based on the tally of votes received, stockholders representing more than a majority of the entire outstanding voting stocks of the Corporation (shareholders holding 3,637,766,004 shares or 78.26%) resolved to approve the President's Report and Annual Report for the fiscal year ended 30 June 2022.

**V. Ratification of All Acts of the Board of Directors, Board Committees and of Management During their Respective Terms of Office**

Based on the tally of votes received, stockholders representing more than a majority of the entire outstanding voting stocks of the Corporation (shareholders holding 3,637,766,004 shares or 78.26%) resolved to ratify and confirm all acts done or caused to be done by the Board of Directors, Board Committees and management of the Company during their respective terms of offices, as set forth in the minutes of the meetings of the Board of Directors held during the same period and in the disclosures made and duly filed with the Securities and Exchange Commission (SEC) and the Philippine Stock Exchange (PSE).

**VI. Amendment of Article II of the By-Laws**

The stockholders then voted on the approval of the amendment of Article II of the Corporation's By-Laws, specifically:

1. Amendment to the Second Article, Section 1 of the By-Laws to move the Annual Stockholders' Meeting from the last Wednesday of September to the first Wednesday of September;
2. Amendment to the Second Article, Section 3 of the By-Laws that stockholders may participate in the Annual Stockholders' Meeting through means of remote communication or other alternative modes of communication;
3. Amendment to the Second Article, Section 5 of the By-Laws that for purposes of quorum, a stockholder who participates through remote communication, in absentia, or such other alternative modes of communication shall be deemed present for purposes of quorum; and
4. Amendment to the Section Article, Section 7 of the By-Laws that as to the manner of voting during the Annual Stockholders' Meeting, a stockholder may vote by remote communication or in absentia.

Based on the tally of votes received, stockholders representing more than a majority of the entire outstanding voting stocks of the Corporation (shareholders holding 3,637,766,004 shares or 78.26%) resolved to ratify and approve the amendment of the By-Laws of the Corporation.

**VII. Election of Directors**

At the request of the Chairman, the Corporate Secretary reported that the following individuals were nominated for election as directors of the Company:

1. Mr. Justin T. Liu
2. Mr. Michael Stephen T. Liu
3. Mr. Brian Gregory T. Liu
4. Ms. Divina Gracia G. Cabuloy
5. Ms. Sigrid Von D. De Jesus
6. Mr. Michael T. Barret
7. Mr. Senen L. Matoto
8. Ms. Corazon P. Guidote
9. Mr. Hector Villanueva

The Corporate Secretary informed the stockholders that based on the votes cast in favor of all of the above-named nominees (i.e., each director received votes from shareholders holding 3,637,766,004 shares or 78.26%), which was tabulated with the assistance of R.S. Bernaldo and Associates, the foregoing persons were elected as members of the Board of Directors. The Chairman accordingly declared the nine (9) nominees duly elected as directors of the Company for the year 2022.

**VIII. Appointment of External Auditor for Fiscal Year 2022**

The Chairman stated that the Company submits for approval of the stockholders the reappointment of the Company's external auditors, R.S. Bernaldo and Associates.

Based on the tally of votes received online, stockholders representing more than a majority of the entire outstanding voting stocks of the Corporation (shareholders holding 3,637,766,004 shares or 78.26%) approved the reappointment of R.S. Bernaldo and Associates as the Company's external auditors for fiscal year 2022.

**IX. Adjournment**

There being no further business to transact, the meeting was, upon motion made and seconded, adjourned.

*[Signature page follows.]*

Certified correct:



**LOWELA L. CONCHA**  
Corporate Secretary

Attested by:



**JUSTIN T. LIU**  
Chairman

MINUTES READ AND APPROVED:



**MICHAEL STEPHEN T. LIU**  
Director



**BRIAN GREGORY T. LIU**  
Director



**DIVINA GRACIA G. CABULOY**  
Director/President/CEO



**CORAZON P. GUIDOTE**  
Director



**SENE L. MATOTO**  
Director



**HECTOR VILLANUEVA**  
Director



**SIGRID VON D. DE JESUS**  
Director



**MICHAEL T. BARRET**  
Director



**JOSE PETRONIO D. ESPAÑOL III**  
CFO/Treasurer



**MARILOU R. ROCA**  
Chief Accounting Officer