

**MINUTES OF THE ANNUAL MEETING OF STOCKHOLDERS
ROXAS HOLDINGS, INC.**

**Held at the McKinley Room, Manila Polo Club, Forbes Park, Makati City
2 March 2016 at 10:00 o'clock a.m.**

Attendance:

Name of Director	No. of Shareholdings	% Ownership
Pedro E. Roxas	94,712	0.00%
Hubert D. Tubio	62,500	0.00%
Santiago R. Elizalde	100,000	0.00%
Ray C. Espinosa	350,000	0.00%
David L. Balangue	50,000	0.00%
Christopher H. Young	50,000	0.00%
Various Stockholders	946,720,518	
Total Outstanding Shares	1,151,645,404	
% to Outstanding shares	82.21%	

Also Present:

Atty. Gemma M. Santos
Atty. Florencio M. Mamauag, Jr
Mr. Celso T. Dimarucut
Mr. Arcadio S. Lozada, Jr.
Mr. Luis O. Villa-Abrille
Mr. George T. Cheung
Ms. Kathrina L. Sebastian
Ms. Veronica C. Cortez
Mr. Frederick E. Reyes
Mr. Paul Edwin V. Lazaro
Atty. Marie Lyn P. Casem
Atty. Melissa Ann M. Bautista

I. CALL TO ORDER.

The Chairman, Mr. Pedro E. Roxas (Mr. Roxas), called the meeting to Order while the Corporate Secretary, Atty. Gemma M. Santos (Atty. Santos), recorded the minutes of the proceedings.

II. CERTIFICATION OF QUORUM.

The Corporate Secretary, Atty. Santos, certified that the Notice of Meeting, Agenda and the Information Statement on SEC Form 20-IS were sent to all stockholders in accordance with the By-Laws of the Corporation and the Securities Regulation Code. She then certified that there are present in person or by proxy, stockholders representing eighty-two and 21/100 percent (82.21%) of the outstanding capital stock of the Corporation and, therefore, a quorum exists for the valid transaction of any business that may come before the meeting.

III. READING AND APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING.

On motion duly made and seconded, the stockholders dispensed with the reading of the minutes of the annual meeting of stockholders of the Corporation held on 18 February 2015 and ratified the same.

IV. PRESENTATION AND APPROVAL OF THE ANNUAL REPORT.The Chairman's Report

The Chairman, Mr. Roxas, presented the highlights of the annual report to the stockholders. Mr. Roxas began his report by stating that 2015 was a tough year for Roxas Holdings, Inc. (RHI), with major hurdles reining in challenges within and outside its plants. While the global economy experienced a slowdown in its growth to 2.4% during the period and the Philippine economy's growth rate dropped to 5.8% from 6.1% previously, the situation at RHI was entirely challenging and pronounced as its net income after tax slid 97% to PhP19 million from PhP615 million in 2014, while its EBITDA dropped 40% to PhP996 million from PhP1.7 billion in 2014.

Mr. Roxas noted that the substantial drop in cane supply resulting from operational issues faced by RHI's sugar subsidiaries, Central Azucarera de la Carlota, Inc. (CACI) in Negros Occidental and Central Azucarera Don Pedro, Inc. (CADPI) in Batangas, led to significant losses for the sugar group. CADPI's net loss widened to PhP109 million during the period, from PhP17 million in 2014, while CACI recorded PhP163 million in losses from the previous year's net income of PhP186 million.

The significant losses were brought about by lower volumes of sugarcane hauled during the period coupled with the aggressive cane supply sourcing of other mills. With low cane supply and lower quality of canes milled, sugar recoveries suffered. Mr. Roxas said that the scenario was exacerbated by a host of persistent industry concerns that included a prolonged sugar surplus in the world market, the impact of the ASEAN Free Trade Area, continuously diminishing farm areas and soaring production costs.

Mr. Roxas stated that while it was a sad state of affairs, the baffling impact of the challenges have taught RHI to be more pro-active and agile both at the plant level and externally, particularly in terms of engaging its stakeholders – foremost of which are the planters and industry partners.

Mr. Roxas reported that RHI has addressed these issues by channeling in PhP700 million for plant repairs and upgrades, and constantly communicating with RHI's planters-partners to understand their concerns and collaborate with them for the continuous and stable supply of canes.

Meanwhile, the results of the operations of RHI's affiliate, Hawaiian-Philippine Company (HPCo) in Silay, Negros Occidental, partly mitigated the losses of RHI's two sugar mills. The investment at HPCo has steadily showed excellent results, and Mr. Roxas said that they are optimistic that the operations of HPCo will continue to improve.

Mr. Roxas stated that despite the slump in RHI's sugar business, it can take pride in the results of its ethanol business, which fuelled growth for the RHI Group during this difficult period. Mr. Roxas noted that RHI, being the country's biggest ethanol producer with the combined capacities of Roxol Bioenergy Corporation (RBC) and newly-acquired San Carlos Bioenergy, Inc. (SCBI), produced 49.96 million liters of ethanol during the period – 55% higher than the 32.19 million liters in 2014. The yield of RBC in 2015 also soared 6% to 270 liters per metric ton of molasses from 256 liters.

Thereafter, Mr. Roxas reported that RBC's net income after tax (NIAT) for the period was PhP215 million, which is slightly lower than the previous year's PhP220 million. Meanwhile, SCBI, where RHI holds 93.68% stake through subsidiary Roxas Pacific Bioenergy Corporation (RPBC), posted a NIAT of PhP122 million from May to September. Mr. Roxas informed the stockholders that the strategic investment of RHI into SCBI was completed in April 2015 with the purchase of 64.02% shares from Menarco Clean Energy, Inc. of the Jimenezes, following the acquisition of 26.7% from the Zabaletas and 2.96% from the Valmayors.

Although the year did not turn out well for RHI, Mr. Roxas emphasized that there are still many things to be grateful for. He said that having the right fundamentals, such as the decisiveness to act wisely and the strength to go against the wave and be a game-changer, is so critical in order to survive and succeed. Having the right perspective and the fortitude to stand even in the midst of disheartening events and glaring failure will see RHI through the dark times.

Mr. Roxas stated that RHI started on a positive note with two research and development agreements with the University of the Philippines Los Baños (UPLB) and University of St. La Salle – Bacolod (USLS). It also had a series of roadshows in Batangas and Negros to align the business units with the Group's direction.

Aside from these, Mr. Roxas reported that RHI also increased its equity by 25% to PhP8.63 billion from PhP6.93 billion last February 2015 through the sale of treasury shares to First Agri Holdings Corp. (FAHC) of First Pacific Company Ltd., which later enabled the Group to acquire SCBI. It was also during this same period that RHI, in partnership with Global Business Power Corp., the power generation arm of GT Capital Holdings, Inc., awarded the Front-End Engineering Design (FEED) contract to Pöyry, a global Finnish consulting and engineering company that conducted the feasibility study on the co-generation project in 2014. Mr. Roxas stated that the FEED contract, which covers the detailed study of the technical requirements and investment cost of the project, reaffirms RHI's commitment to provide a stable and alternative option to the growing concern on the Philippine power and energy situation.

Mr. Roxas noted that through all that happened, RHI has shown that it is an organization that is reliable and relevant, has high standards, and operates with integrity. He added that it is encouraging to see that RHI has emerged stronger, with a firmer resolve and a wider perspective, after weathering the storm in the past year. Mr. Roxas also stated that RHI is more prepared to inculcate change and face the challenges, especially with the appointment of a new Management Team; and steer a major shift in focus to further improve operational performance, enhance cost efficiency, and increase cane supply.

Finally, Mr. Roxas stated that the new Team RHI, led by a staunch sugar industry veteran, will guide the Company to new and exciting frontiers with the unwavering support of its Board of Directors and Management.

The PCEO's Report

Mr. Hubert D. Tubio (Mr. Tubio) began his report by stating that it is time to move on from the gloomy results of the past year and work together for a better and stronger RHI. He said that RHI's promising future cannot happen overnight, and that the unwavering support and confidence of all stockholders and other stakeholders are needed to fulfill goals and objectives as RHI works on its strengths and addresses its weaknesses.

Mr. Tubio noted that Management had identified and accepted the various concerns that seemed initially trivial but which clearly inflicted a devastating effect to the Company. Gleaning from the lessons of the past, he said that Management is implementing a proactive approach to overcome and address these issues.

Mr. Tubio reported that efficiencies in CACI and CADPI, costly competition for cane supply, and deteriorating relationships with planters, among others, were the operational issues that stunted the performance of RHI's two sugar mills last crop year. He explained that the Batangas and Negros planters were dissatisfied with the efficiencies of both sugar mills. Furthermore, eastern Batangas planters expressed their protest and disagreement to previous Management policies by bringing their canes somewhere else. The Negros planters also

brought their canes to other mills as a result of competitors' strong cane campaign and to show their intense opposition to the views espoused by Management.

These scenarios in both sugar mills exposed RHI's critical need to be operationally efficient and excellent – underscoring an incessant need for Management to nurture healthy win-win relationships with its planters-partners, one that cultivates transparency without compromising integrity.

Thereafter, Mr. Tubio reported on how RHI will address these concerns. He said that RHI will be moving swiftly but judiciously on these concerns by rolling out immediate measures. First and foremost will be timely allocation of resources to improve and upgrade various equipment and processes in the sugar mills that will enhance efficiencies, reduce downtimes and bottlenecks, and thereby, ultimately increasing throughput and reducing unit production costs. Coupled with this is the strengthening of RHI's technical team and structure on the two mills, which had been affected by a corporate retrenchment program and attrition. Mr. Tubio said that improved efficiency will serve as the best advertisement to market RHI's services to its partners-planters and customers.

Next, Mr. Tubio stated that planter relationships shall be improved and strengthened through constant communication and mutually beneficial and judicious initiatives established with them. Understanding their needs and properly communicating RHI's needs for a better long-term partnership and collaboration will also gain back planters' confidence. These actions, complemented by a well designed and cost-effective cane campaign program, will enable RHI to consequently win back market share.

Furthermore, to improve future cane supply assurance, Mr. Tubio reported that management has considered the development of greenfield areas whereas sugar cane plantation can be established, and enable the study of the businesses. This could be a standalone project for joint venture with big landholders thru the Group's Agri-Business sector. He added that this is also on top of the current initiatives of financing existing large sugarcane farmers with contracts to deliver the canes to RHI's sugar mills.

Mr. Tubio then reported that around mid-term, Management will also conduct a more structured and pro-active planning to better face the continuous challenges and threats from the tightening global situation and challenging domestic competition. This will also enable RHI to formulate strategic corporate directions that will further support and strengthen RHI in meeting the pressing issues in its subsidiaries.

Aside from these, Mr. Tubio stated that Management is engaging research and development partnerships with leading universities to explore more possibilities out of the sugar industry, in general, and to maximize the benefits derived from sugarcane, in particular.

Mr. Tubio noted that as RHI turns its focus on these fronts and looks into better ways of advancing its vision to become a world-class leader in sugarcane-based products and services, Management is convinced that with the right discipline, proper perspective and timely action, and with a cautious optimism on RHI's sugar business, it will be able to nurture the Company back to its rightful place in the industry. Management is confident that RHI's ethanol business, with RBC and SCBI at the forefront, will continue to grow and fuel more initiatives. RHI's power cogeneration project will also be gaining ground and hopefully, be fully operational in a couple of years.

With everything that has happened, RHI is recalibrating its sensors and is taking bolder moves to challenge the norm and blaze a trail. The Group has set its sights on sugar, ethanol, co-generation and other ventures, and it will not rest until it has fully exhausted the benefits of sugarcane for the good of the Company, its communities, and the industry.

Mr. Tubio noted that collaboration is so important as Management implements its strategies moving forward. The solid relationships of RHI's parent company, First Pacific Company Limited, widen the horizons and allow RHI to explore possibilities and engage more partners in rediscovering sugarcane and its related by-products. The collaboration should be all-encompassing such that RHI eventually gets recognized as an industry mover with values anchored on the tenets of reliability and relevance, high standards and integrity. Mr. Tubio said that as such, the stockholders' utmost support in all these undertakings will spell the difference.

Finally, Mr. Tubio thanked the Board of Directors, stockholders, and all other stakeholders, for their support and strong trust in Team RHI which will continue the march with even greater energy and focus as it takes on the challenge to power up RHI to be the biggest – and the best – sugar company in the Philippines, and in the region.

After the presentation of the Annual Report, a stockholder followed up on his inquiry in a previous stockholders' meeting regarding the use of sweet sorghum as a substitute for sugarcane to address the low cane supply in the sugar mills. Mr. Roxas replied that there were initial discussions with UPLB regarding the use of sweet sorghum. He said that the feedback then was that although sorghum has a relatively high sucrose content, the varieties being tested in the Philippines were not giving sufficient yields on a tons-per-hectare basis. Mr. Roxas said that this is something that can be revisited with RHI's research and development partners, UPLB and USLS. Mr. Tubio added that there is really a challenge in the cultivation of sweet sorghum because it only has a very small window for harvest. If it is not harvested within the window, then the sweet sorghum will start deteriorating. Mr. Tubio said that with the joint activities with the educational institutions, the right variety to increase that window for harvesting can be discovered.

Thereafter, on motion duly made and seconded, the Annual Report of the company for the fiscal year ending 30 September 2015 was approved, confirmed and ratified by the majority vote of the stockholders present.

V. APPROVAL AND RATIFICATION OF ALL ACTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS AND MANAGEMENT.

On motion duly made and seconded, all acts, proceedings and resolutions of the Board of Directors and Management since the last annual meeting held on 18 February 2015 were approved, confirmed and ratified by the majority vote of the stockholders present.

VI. APPROVAL OF THE AMENDMENT TO ARTICLE III OF THE ARTICLES OF INCORPORATION.

The Corporate Secretary, Atty. Santos, explained the amendment to Article III of the Articles of Incorporation. Atty. Santos reported that the Board of Directors, in its meeting held on 10 February 2016, approved a Resolution amending Article III of the Articles of Incorporation of the Corporation to indicate that the new principal place of business of the Corporation shall be at the 14th Floor, Net One Center, 26th Street corner 3rd Avenue, Bonifacio Global City, Taguig, Metro Manila.

On motion duly made and seconded, the amendment to Article III of the corporation's Articles of Incorporation was approved and ratified.

VII. ELECTION OF THE BOARD OF DIRECTORS.

The Corporate Secretary, Atty. Santos, informed the Chairman, Mr. Roxas, that pursuant to Article 14, Section 1 of the By-Laws of the corporation, nominations for election to the Board of Directors should be submitted in writing to the Chairman of the Board of Directors at least fifteen (15) working days prior to any meeting called for the election of the Board of Directors. She likewise advised that a nomination was made for the election of the following persons:

1. MR. PEDRO E. ROXAS
2. MR. MANUEL V. PANGILINAN
3. MR. HUBERT D. TUBIO
4. MR. SANTIAGO R. ELIZALDE
5. ATTY. RAY C. ESPINOSA
6. MR. CHRISTOPHER H. YOUNG
7. ATTY. ALEX ERLITO S. FIDER
8. MR. DAVID L. BALANGUE and

9. MR. OSCAR J. HILADO.

Atty. Santos stated that Mr. David L. Balangue and Mr. Oscar J. Hilado are being nominated as Independent Directors of the Corporation.

Since there are only nine (9) seats in the Board of Directors, a shareholder moved that all votes be cast in favor of all nine (9) nominees. The motion was submitted to a vote and the same was carried. The Chairman requested the Corporate Secretary to cast all votes in favor of the above-named nine (9) nominees.

Mr. Roxas then thanked Mr. Geronimo C. Estacio for serving as a member of the Board of Directors for the past ten (10) years.

VIII. ELECTION OF THE EXTERNAL AUDITORS.

The Corporate Secretary, Atty. Santos, informed the Chairman, Mr. Roxas, that in accordance with the Manual on Corporate Governance, the Audit & Risk Committee recommends the election of the auditing firm of Reyes Tacandong & Co. as external auditor of the corporation for fiscal year 2015-2016.

A stockholder moved for the election of the auditing Firm of Reyes Tacandong & Co. as external auditor of the company for fiscal year 2015-2016. Another stockholder seconded the motion. The Chairman placed the motion to a vote and the same was carried.

IX. OTHER MATTERS/ADJOURNMENT.

During the open forum, a stockholder inquired if there will be a rights offering in the coming days. Mr. Roxas replied that there will indeed be a rights offering within the year, but he said that the terms and details of the said rights offering have yet to be discussed and finalized.

There being no other matter to discuss, on motion duly made and seconded, the meeting was thereupon adjourned.

Attest:

PEDRO E. ROXAS
Chairman of the Board

GEMMA M. SANTOS
Corporate Secretary