MINUTES OF THE 2021 ANNUAL MEETING
OF THE STOCKHOLDERS OF
RFM CORPORATION

The Annual Meeting of the Stockholders of RFM CORPORATION ("RFM") was held virtually on 30 June 2021 at 11:00 A.M. pursuant to the By-laws of the Corporation and in accordance with the notice of the meeting to all stockholders. Shareholders who were able to successfully register online were given access to the digital meeting.

On behalf of the Chairman of the Board of Directors, Mr. Enrique Oliver I. Rey-Matias presided and called the meeting to order after an invocation by Ms. Rona Ingrid Defensor. Atty. Mitchie Vanessa T. Magomnang, the Corporate Secretary, recorded the minutes of the meeting.

I. NOTICE OF MEETING

The Corporate Secretary confirmed that notice of the meeting was published in the Business Section of The Philippine Star and the Manila Times which are both newspapers of general circulation, on June 3, 2021 and June 4, 2021, in accordance with the By-laws of the Corporation and pursuant to the existing rules and regulations issued by the Securities and Exchange Commission. The notice was likewise published online in the websites of both The Philippine Star and Manila Times, on the same dates.

Furthermore, the Corporate Secretary explained that in accordance with existing rules and regulations issued by the Securities and Exchange Commission in relation to the conduct of the Annual Stockholders' Meeting of publicly-listed companies, electronic copies of the Notice and Agenda, the Information Statement, the 2020 Annual Report and other pertinent documents are made available for viewing or inspection by any shareholder in RFM's website under the 2021 ASM folder, in accordance with SEC rules. These materials have also been previously submitted to and are now available in the website of the Philippine Stock Exchange.

II. CERTIFICATION ON THE PRESENCE OF A QUORUM

The Corporate Secretary certified that of the total outstanding shares of the Corporation, there were present at the meeting, virtually in person and by proxy, at least 2,999,758,223 (89.03%) percent of the outstanding capital stock.

III. APPROVAL OF PREVIOUS MINUTES

A copy of the Minutes of the Annual Stockholders' Meeting held on 29 July 2020 was made available to the stockholders in the Company's website.

The reading of the Minutes of the Annual Stockholders' Meeting held on 29 July 2020 was dispensed with, thereafter upon motion duly made and seconded, the same were unanimously approved.

Thereafter, and upon motion duly made, seconded and unanimously approved, it was:

RESOLUTION ASM NO. 2021-06-01

RESOLVED, that the Minutes of the Annual Stockholders' Meeting held on 29 July 2020 be, as it is hereby approved and ordered filed.

The shareholders were then informed by the Presiding Officer that the next item in the agenda is the presentation of the President's Report for 2020. They were likewise advised that those who wish to ask questions may do so by submitting the same through the Question and Answer box, by clicking the Q&A icon that they can find in the lower portion of their individual screens. The questions, if any, will be answered after presenting the President's Report.

IV. PRESENTATION OF THE PRESIDENT'S 2020 ANNUAL REPORT/2020 AUDITED FINANCIAL STATEMENTS

The President's 2020 Annual Report was presented by Mr. Enrique Oliver I. Rey-Matias, Vice-President and Chief Finance Officer of the Corporation. *(A copy of the slide presentation is hereto attached).*

The highlights of the President's Report are as follows:

Last year, 2020, RFM Corporation was able to sustain its net income growth despite the Covid-19 pandemic and slowdown in economic activities, and posted a Php1.288B income on the back of Php15.70B in net sales. Net sales essentially grew by 2% while net income increased by 5% increase as compared to the 2019 results.

RFM's portfolio of brands and businesses has experienced contrasting performances during the pandemic year 2020. While the lockdown has suppressed demand of outdoor-based consumption like ice cream, pizza and burgers, the Company's take home businesses such as Selecta milk, Royal and Fiesta spaghetti and sauce, as well as Whiteking hotcake and brownie mixes, saw a very strong demand. The Company also ensured that its supply chain supported the surge in demand despite the strict quarantine rules.

Flour sales also grew last year notwithstanding the slowdown in some of RFM's institutional fast-food buyers. On the side of costs which helped the income growth, while the Company has to spend more on workers' food, lodging and transportation as well as the Covid-19 rapid antibody testing, income still rose to Php1.288B. RFM has likewise controlled advertising expenses along with other manageable spending to help achieve this growth in profit.

As a result of continued rise in sales and income, RFM's Balance Sheet is stronger as ever. The Company's cash position and liquid placements amounted to Php4.1B at the end of 2020. RFM Parent Company also remains debt-free as of today and continues to use its liquidity for its share buy-back program, with around 243million bought-back listed treasury shares held as of May 2021. The Board of Directors has also declared the second tranche of cash dividends in the amount of Php416M or Php0.123704 per share, which is equivalent to 60% of the 2020 net income. Mr. Rey-Matias further mentioned that the total cash dividends paid out in 2020 amounted to Php743Million.

In terms of returns, the Company's Return of Equity improved to 10.24% from 10.15% in 2019 and 9.48% in 2018. While Return on Asset for 2020 was 6.78% from 6.58% in 2019 and 6.59% in 2018.

Furthermore, RFM has sustained its strong position in ice cream and pasta. The Fiesta and Royal brands have been leaders in the dish category, being the Number 1 and Number 3 dish brands respectively. For macaroni, Fiesta and Royal are likewise the leading brands in the Philippines. For pasta sauce, Royal is now the Number 3 largest brand and is dubbed as the "fastest growing sauce brand" in the country.

In milk, RFM is still the 2nd largest Ready-to-Drink (RTD) manufacturer in the Philippines, with Selecta Fortified Milk being the Number 1 brand in the RTD fortified milk category.

Also in 2020, the Company has completed the installation of its additional spaghetti sauce facilities, more particularly Lines 5 and 6. It has also provided a new milk processing line

in its Cabuyao Plant to support the strong supply of milk. And all of these CAPEX were financed using internally-generated cash.

Mr. Rey-Matias also presented the Company's preliminary and unaudited May 2021 YTD financial position. January to May 2021 Sales continue to expand by 3%, reaching Php5.93B, while Net Income was at Php602M which shows a 12% growth.

Ice cream, institutional bread sales, Fiesta and Royal pasta, and the hotcake mixes provided the growth momentum for the said 2021 five-month period. Headwinds are expected though which could dampen revenue growth throughout the year due to unrelenting inflation as seen in the rise of prices of oil, packaging, wheat, freight and other inputs of production, according to the CFO. Nevertheless, RFM's management will continue to look into measures that would improve efficiency across the value chain to offset these higher costs.

After the financial presentation, the Presiding Officer proceeded to discuss the questions raised by some shareholders which were sent via email. On the question as to how the pandemic affected the Company's performance Mr. Rey-Matias said that ice cream sales and institutional sales of flour, hotcake mixes and buns were severely affected by the lockdown when everybody was mandated to stay at home. For 2021 however, there was rebound on these sales because people are already allowed to go out. He also answered the question on what additional steps did RFM undertake to address its operational concerns during the varying quarantine impositions, stating that that during the lockdown, the Company housed its workers and provided food as well as allowances to them.

A question was also asked if there is vaccination program in RFM and it was explained that the Company has procured AstraZeneca vaccines for its employees and their family members, including the Company's contractors and partners. Moreover, the inoculation of these vaccines is expected to be rolled out in July this year.

Another question raised was about the performance of the Company in 2021 and if there are any big investments for this year. Mr. Rey-Matias replied that in some one-on-one talks with institutional investors, it was shared to them that there are a couple of CAPEX currently being implemented but nothing big has been approved for this year. At any rate, RFM's cash position is enough to spend for additional CAPEX requirements and without the need for bank financing. Last question raised was about the continued implementation of the 60% payout for cash dividends to which the President & CEO, Mr. Jose Ma. A. Concepcion III, responded that assuming the Company will sustain its good performance, it will still be implemented in the coming years.

After which, the President's Annual Report, the Audited Financial Statements for the year 2020 as prepared by RFM's Management and the Auditor's Report issued by SGV & Co., the Company's External Auditor, were presented to the stockholders for approval.

Upon motion duly made, seconded and unanimously approved, it was:

RESOLUTION ASM NO. 2021-06-02

RESOLVED, that the Annual Report of the President of the Corporation for the period starting 01 January 2020 to 31 December 2020 be and the same is hereby noted and a hard copy of the same be appended to the minutes of this meeting.

RESOLUTION ASM NO. 2021-06-03

RESOLVED, that the Audited Financial Statements for 2020 of RFM Corporation prepared by the Management as well as the Auditor's Report issued by SGV & Co., be as they hereby are noted and approved.

V. RATIFICATION OF ACTS OF MANAGEMENT

The Presiding Officer then presented to the stockholders the matter of the confirmation of the acts of the Corporation's Board of Directors and corporate officers for the period between the 2020 Annual Stockholders' Meeting until the current meeting. Upon motion made, seconded and unanimously approved, it was:

RESOLUTION ASM NO. 2021-06-04

RESOLVED, that the minutes of all meetings of the Board of Directors of the Corporation covering the period between the 2020 Annual Stockholders' Meeting until the current meeting, be, and the same are hereby ratified, approved and confirmed.

RESOLVED FURTHER, that all resolutions adopted by the Board of Directors at the said meetings be ratified and adopted by the stockholders and that any and all acts and proceedings of the Corporation's Board of Directors and Corporate Officers since the 2020 Annual Stockholders' Meeting until the current meeting, pursuant to and in conformity with such resolutions, be and the same are hereby ratified, approved and confirmed.

VI. ELECTION OF DIRECTORS

The meeting proceeded with the election of the members of the Board of Directors of the Corporation for the year 2021-2022. The Presiding Officer called for nominations for the eleven (11) seats available at the Board.

Pursuant thereto, the following were nominated:

Jose S. Concepcion Jr.
Jose Ma. A. Concepcion III
John Marie A. Concepcion
Ma. Victoria Herminia C. Young
Ernest Fritz Server
Joseph D. Server, Jr.
Francisco A. Segovia
Raissa Hechanova Posadas
Jose Ma. Christian O. Concepcion IV
Romeo L. Bernardo as Independent Director
Lilia R. Bautista as Independent Director

At this point, the Corporate Secretary, Atty. Mitchie Vanessa Magomnang, provided an explanation on the nominations of Mr. Romeo L. Bernardo and Atty. Lilia R. Bautista as Independent Directors. She explained that both Mr. Bernardo and Ms. Bautista have been serving the company as Independent Directors for more than nine years already which is beyond the term limit of independent directors as provided under existing rules of the Securities and Exchange Commission. However, the Board of Directors resolved to endorse for them to be retained as Independent Directors after the Company was not able to find suitable replacements who have the same or comparable skills, qualification, and experience with that of Mr. Bernardo and Ms. Bautista. She expounded that Mr. Bernardo has consistently provided his invaluable expertise in the fields of finance and economics while Atty. Bautista has always been the pillar of the Board when it comes to legal and corporate governance matters. Moreover, the Board believes that the independence of Directors Bernardo and Bautista have not been diminished or impaired by their long service to the Company. The Board has in fact full confidence that they will continue to contribute their professional wisdom and insights to the group, and to the committees where they either sit as chair or member, while doing all of these with the highest degree of impartiality. And these

meritorious justifications for their nomination were included in the Company's Information Statement submitted to the SEC, she added.

No other nominations having been made, the Presiding Officer thereupon announced that the foregoing nominees were unanimously elected directors of the Corporation for the year 2021-2022 effective upon their qualification and until their successors are duly elected and qualified.

Upon motion duly made, seconded and unanimously approved, it was:

RESOLUTION ASM NO. 2021-06-05

RESOLVED, that the following:

Jose S. Concepcion Jr.
Jose Ma. A. Concepcion III
John Marie A. Concepcion
Ma. Victoria Herminia C. Young
Ernest Fritz Server
Joseph D. Server, Jr.
Francisco A. Segovia
Raissa Hechanova Posadas
Jose Ma. Christian O. Concepcion IV
Romeo L. Bernardo as Independent Director
Lilia R. Bautista as Independent Director

are elected directors of the Corporation for the year 2021-2022 effective upon their qualification and until their successors are duly elected and qualified.

VII. APPOINTMENT OF EXTERNAL AUDITOR

The Presiding Officer then opened the table for the appointment of the Company's External Auditor for the year 2021-2022. Upon motion duly made, seconded and unanimously approved, it was:

RESOLUTION ASM NO. 2021-06-06

RESOLVED, that the appointment of the External Auditor of the Corporation for the year 2021-2022 be delegated to the Board of Directors.

VIII. ADJOURNMENT

There being no further matters to discuss, the meeting thereupon adjourned.

ATTY. MITCHIE VANESSA T. MAGOMNANG
Corporate Secretary

ATTEST:

JOSE MA. A. CONCEPCION III
Chairman/President & CEO