MINUTES OF THE 2023 ANNUAL MEETING
OF THE STOCKHOLDERS OF
RFM CORPORATION

The Annual Meeting of the Stockholders of RFM CORPORATION ("RFM") was held virtually on 14 June 2023 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, Vice President & Chief Finance Officer, presided and called the meeting to order after an invocation by Atty. Denise Jane D. Dueñas. Atty. Mitchie Vanessa T. Magomnang, the Corporate Secretary, recorded the minutes of the meeting.

I. NOTICE OF MEETING

The Corporate Secretary, Atty. Mitchie Vanessa T. Magomnang, 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 May 18, 2023 and May 19, 2023, in accordance with the By-laws of the Corporation and pursuant to the existing rules and regulations issued by the Securities and Exchange Commission (SEC). 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 of the SEC 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 2022 Annual Report and other pertinent documents are made available for viewing or inspection by any shareholder in RFM's website under the 2023 ASM folder. 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 out of the total outstanding shares of the Corporation, there were present at the meeting, virtually in person and by proxy, at least 3,065,645,599 shareholdings or (90.98%) percent of the outstanding capital stock.

III. APPROVAL OF PREVIOUS MINUTES

A copy of the Minutes of the Annual Stockholders' Meeting held on 27 June 2022 was made available to the stockholders in the Company's website.

The reading of the Minutes of the Annual Stockholders' Meeting held on 27 June 2022 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. 2023-06-01

RESOLVED, that the Minutes of the Annual Stockholders' Meeting held on 27 June 2022 be, as it is hereby approved and ordered filed.

The shareholders were then informed by the Chairman of the Meeting that the next item in the agenda is the presentation of the President's Report for 2022. They were likewise advised that those who wish to ask questions may do so by submitting the same through the chat box, by clicking the chat 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 2022 ANNUAL REPORT/2022 AUDITED FINANCIAL STATEMENTS

The President's 2022 Annual Report was presented by the CFO, Mr. Enrique Oliver I. Rey-Matias. *(A copy of the slide presentation is hereto attached).*

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

For the year 2022, against a backdrop of raw material inflation and some demand slowdown, RFM was able to grow sales by 15%. Revenues reached Php19.4B. The 15% growth in revenues was driven by the 29% expansion in Flour and bread sales, 22% growth in Selecta Milk, and ice cream sales increase of over 15%.

However, in 2022, RFM was greatly affected by the higher cost of inputs. Net income declined 18 % to Php1.07B as margins in flour, bread, pasta and milk were squeezed by high raw material prices. The gradual price adjustments in 2022 to pass on the higher cost of goods continued through 2023 and the company expects steady recovery of gross and net income margins through 2023.

The CFO explained that despite the challenge in margins in 2022, RFM's balance sheet reflected the financial strength of the company. It continued to have surplus cash and RFM parent company remained debt free. The strong balance sheet also afforded the company the confidence to pursue big ticket expansion projects in 2022 through 2023 to support the growth in its bread and milk businesses.

The 50% share of RFM in the ice cream joint venture sales represented about 1/3 of total RFM sales in 2022. However, the ice cream business has more significant weight in RFM income. The flagship Selecta brand and other key brands like Magnum and Cornetto remained brand leaders in the Philippine ice cream market.

The Selecta Milk business is also a big revenue driver for RFM. Growth of RFM milk business in 2022 was at 22%. And the company remained to be the number 2 manufacturer in the Ready-to-drink milk category, behind long standing leader Nestle.

And for this year, to keep the growth momentum, Selecta has launched several new products and SKUs like the Selecta Dolce Chocolate Milk Drink and the Farm Fresh savers pack. In total Ready to drink, the Selecta Fortified Milk is the number 2 brand. But in the white milk segment, Selecta Fortified is bigger than Bear Brand and Nestle.

While the Pasta business as a category was affected by weaker demand due to inflation in 2022, RFM's Fiesta and Royal Dish bundles maintained leadership in the category by market value with a combined share of 47%. A new Carbonara dish bundle was launched this May 2023 to grow pasta this year.

As for the 1st quarter of 2023, Mr. Rey-Matias reported that RFM's financial performance continued to reflect the impact of higher cost of raw materials and resilient brands amidst inflationary times. And this was expected as the reduction in the raw material prices will be felt by RFM beginning late 2nd quarter and onwards.

Sales grew while net income declined for the quarter. The sales growth was driven by Selecta milk as well as Flour and bread revenues. The drop in income was attributable to the decline in margins for flour, pasta, milk and ice cream.

This 2nd quarter, the company is seeing good improvements in its margins already that would be reflected in the succeeding financial reports. RFM will also focus on innovation and endeavors to introduce new products like the Fiesta Carbonara and Selecta Dolce in order to lead the growth in the pasta and RTD milk categories. The continued decline of input prices as well as the implementation of fine tuning measures in operations to maximize sales growth, among others factors, will support the margin and income recovery outlook of the company for this year.

Mr. Rey-Matias then announced that in the board meeting held today, RFM's Board of Directors has approved cash dividends of Php300Million or Php0.089033 per share which is payable on July 25, 2023 and with record date as of June 29, 2023. He likewise mentioned that in February this year, the company has declared the first tranche of cash dividend of Php350Million. Total declared dividends in 2023 is now Php650M or Php0.1929 per share.

After the financial presentation, the Chairman of the Meeting asked if there are questions in the chat box. The Corporate Secretary responded that no questions were raised in the chat box.

The President's Annual Report, the Audited Financial Statements for the year 2022 prepared by RFM's Management and the Auditor's Report issued by SGV & Co., the Company's External Auditor, were then presented to the stockholders for approval.

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

RESOLUTION ASM NO. 2023-06-02

RESOLVED, that the Annual Report of the President of the Corporation for the period starting 01 January 2022 to 31 December 2022 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. 2023-06-03

RESOLVED, that the Audited Financial Statements for 2022 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 Chairman of the Meeting then presented to the stockholders the next matter, that is the confirmation of the acts of the Corporation's Board of Directors and corporate officers for the period between the 2022 Annual Stockholders' Meeting until the current meeting. Upon motion made, seconded and unanimously approved, it was:

RESOLUTION ASM NO. 2023-06-04

RESOLVED, that the minutes of all meetings of the Board of Directors of the Corporation covering the period between the 2022 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 2022 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 2023-2024. The Chairman of the Meeting called for nominations for the eleven (11) seats available at the Board.

Pursuant thereto, the following persons were nominated:

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

At this point, the Corporate Secretary provided an explanation on the nominations and qualifications of the independent directors, namely: Mr. Romeo L. Bernardo and Atty. Lilia R. Bautista. She explained that both Mr. Bernardo and Ms. Bautista have been serving the company as Independent Directors for more than nine years already. However, the Board of Directors had endorsed to retain them 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. 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 and PSE, she added.

No other nominations having been made, the Chairman of the Meeting thereupon announced that the foregoing nominees were unanimously elected directors of the Corporation for the year 2023-2024 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. 2023-06-05

RESOLVED, that the following:

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

are elected directors of the Corporation for the year 2023-2024 effective upon their qualification and until their successors are duly elected and qualified.

VII. APPOINTMENT OF EXTERNAL AUDITOR

The Chairman of the Meeting then opened the table for the appointment of the Company's External Auditor for the year 2023-2024. Upon motion duly made, seconded and unanimously approved, it was:

RESOLUTION ASM NO. 2023-06-06

RESOLVED, that the appointment of the External Auditor of the Corporation for the year 2023-2024 be delegated to the Board of Directors.

VIII. RETIREMENT AND/OR CANCELLATION OF 150,617,444 UNLISTED SHARES ARISING FROM THE UPSTREAM MERGER OF RFM CORPORATION AND ITS SUBSIDIARIES, CLIC, IAC and ICC

The Chairman of the Meeting announced that the next item in the agenda is the retirement and/or cancellation of 150,617,444 unlisted shares which arose from the upstream merger of RFM Corporation (as the Parent Company and surviving corporation) and its former subsidiaries, namely: Cabuyao Logistics and Industrial Center, Inc. (CLIC), Interbake Commissary Corporation (ICC), and Invest Asia Corporation (IAC).

He explained that on 25 July 2018 and 7 September 2018, the Board of Directors and Stockholders of RFM Corporation approved the upstream merger between RFM Corporation and those abovementioned subsidiaries. As a result thereof, RFM issued a total of 150,617,444 unlisted shares to itself and some minority shareholders of Invest Asia Corporation.

The said merger was duly approved by the Securities and Exchange Commission and the Certificate of Filing of the Articles and Plan of Merger was issued on 31 January 2019. As of today, the 150,617,444 shares remain unlisted.

While in a special meeting held on 03 May 2023, the Board of Directors resolved to retire and/or cancel the 150,617,444 unlisted shares by decreasing the Company's authorized capital stock. And this will be done by way of an amendment to the Seventh Article of the Articles of Incorporation of RFM Corporation.

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

RESOLUTION ASM NO. 2023-06-07

RESOLVED, that RFM Corporation (the "Corporation") approve, as it hereby approves, the decrease in the authorized capital stock of the Corporation from Three Billion Nine Hundred Seventy Eight Million Two Hundred Sixty Five Thousand Twenty Five Pesos (Php3,978,265,025.00), Philippine Currency, divided into Three Billion Nine Hundred Seventy Eight Million Two Hundred Sixty Five Thousand Twenty Five (3,978,265,025) common shares, with a par value of One Peso (Php1.00) per share to Three Billion Eight Hundred Twenty Seven Million Six Hundred Forty Seven Thousand Five Hundred Eighty One (Php3,827,647,581), Philippine Currency, divided into Three Billion Eight Hundred Twenty Seven Million Six Hundred Forty Seven Thousand Five Hundred Eighty One (3,827,647,581) common shares, with a par value of One Peso (Php1.00) per share.

RESOLVED, FURTHER, That pursuant to the foregoing, the Seventh Article of the Amended Articles of Incorporation of the Corporation be amended to read as follows:

'SEVENTH: That the capital stock of said corporation is THREE BILLION EIGHT HUNDRED TWENTY SEVEN MILLION SIX HUNDRED FORTY SEVEN THOUSAND FIVE HUNDRED EIGHTY ONE PESOS (Php3,827,647,581), Philippine Currency, divided into THREE BILLION EIGHT HUNDRED TWENTY SEVEN MILLION SIX HUNDRED FORTY SEVEN THOUSAND FIVE HUNDRED EIGHTY ONE (3,827,647,581) common shares, with a par value of ONE PESO (Php1.00) per share.'

RESOLVED FINALLY, That the officers of the Corporation be authorized to sign, execute and deliver any and all agreements and documents and perform all acts necessary and desirable, for and on behalf of the Corporation, in order to effectuate the foregoing resolution.

IX. 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