

-FOR STOCKHOLDERS' APPROVAL-

MINUTES OF THE ANNUAL MEETING OF THE STOCKHOLDERS OF
PHILEQUITY FUND, INC.

Held remotely on 17 September 2020 at 2:55p.m.

TOTAL NUMBER OF SHARES OUTSTANDING	307,330,255
TOTAL NUMBER OF SHARES PRESENT/REPRESENTED and ENTITLED TO VOTE	214,226,255 (69.71%)

MEMBERS OF THE BOARD OF DIRECTORS PRESENT:

IGNACIO B. GIMENEZ
VIOLETA O. LUYM
AURORA L. SHIH
RAMON Y. SY
FELIPE U. YAP
DOBBIN A. TAN
NORMAN L. WEE

OFFICERS PRESENT

EDMUNDO MARCO P. BUNYI, JR.	-	President
ATTY. JONATHAN P. ONG	-	Corporate Secretary

OTHER ATTENDEES

ANNA ROSETTE CARPIO	-	SGV & Co.
JUAN CARLO MAMINTA	-	SGV & Co.
J. CARLITOS CRUZ	-	SGV & Co.
WILSON TAN	-	SGV & Co.
LORRAINE CARPIO	-	BDO Stock Transfer

SHAREHOLDERS PRESENT

Please see the attached breakdown of shareholders present in terms of mode of attendance (by proxy or remotely) and the percentage of the outstanding shares that they own.

Proxy Form	157,916,497	51.38%
Remotely	56,309,758	18.32%
	214,226,255	69.71%

CALL TO ORDER

The Chairman, Mr. Ignacio B. Gimenez, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Jonathan P. Ong, recorded the minutes of the proceedings.

RULES AND PROCEDURES FOR THE STOCKHOLDER'S MEETING VIA WEBCAST

The Chairman requested the Corporate Secretary to enumerate the Rules and Procedures for the remote meeting. The Corporate Secretary informed the body that pursuant to Section 23 and 57 of the Revised Corporation Code and SEC Memorandum Circular No. 6, Series of 2020 stockholders who had wanted to participate remotely or to exercise the right to vote in absentia were requested to email the Corporate Secretary at asm@philequity.net of their intention to do so, and to submit the required documents, proxies, voting tickets, questions and comments on or before 03 September 2020. The registration and voting procedures were posted in <http://philequity.net/ASM2020.php> and were also contained in the Definitive Information Statement. All votes cast would be validated and tabulated on 10 September 2020. The results of

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the voting would be reported after each agenda item in the meeting. A moderator would monitor any questions or comments raised during the meeting to ensure that they were addressed during the same. Stockholders who wished to ask questions or voice a concern may raise their hands during the meeting or type the same in the chat box at the end of the meeting.

PROOF OF NOTICE OF MEETING AND CERTIFICATION OF QUORUM

Upon request of the Chairman, the Corporate Secretary confirmed that notice of the meeting was sent to the stockholders of record as of 18 August 2020. The Chairman then requested the Corporate Secretary to append the certificate attesting to the sending of notices to the original of the Minutes of the Meeting.

The Corporate Secretary certified that based on the voting tickets and proxies received and validated on 10 September 2020, out of the Three Hundred Seven Million Three Hundred Thirty Thousand Two Hundred Fifty Five (307,330,255) shares of the total outstanding capital stock of the Corporation, there were present and represented in the meeting Stockholders owning Two Hundred Fourteen Million, Two Hundred Twenty Six Thousand Two Hundred Fifty Five (214,226,255) shares, representing an attendance of 69.71% of the total outstanding capital stock of the Corporation. There was therefore a valid quorum for the transaction of the business at hand.

APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING OF STOCKHOLDERS

The Chairman asked if copies of the last Annual Stockholder's Meeting held on 31 August 2019 had been made available to the stockholders prior to the start of the meeting. The Corporate Secretary replied that an electronic copy of the Minutes of the Meeting held on 31 August 2019 had been posted at <https://www.philequity.net/ASM2020.php> prior to the meeting.

The Corporate Secretary informed the Chairman that based on the tabulation of the votes cast in absentia or by proxy on 10 September 2020, stockholders owning Two Hundred Thirteen Million Eight Hundred Eighty Two Thousand Seven Hundred Eighty Three (213,882,783) shares, representing an attendance of 69.59% of the total outstanding capital stock of the Corporation, had voted in favor of the approval of the Minutes of the Stockholders Meeting held on 31 August 2019. Thus, the following resolution was passed:

“RESOLVED, that the Minutes of the Annual Meeting of the Stockholders of Philequity Fund, Inc. held on 31 August 2019 is hereby approved.”

APPROVAL OF 2019 OPERATIONS AND RESULTS

The Chairman informed the Board and the stockholders that copies of the Information Statement with the accompanying Annual Reports, which contained summaries on the operation and the Audited Financial Statements of the Corporation for the calendar year ended 31 December 2019, together with the Quarterly Report for the 2Q 2020, had been sent to the Stockholders several weeks prior to the meeting.

The President then proceeded to present his report on the highlights of the Fund's performance, including the Fund's Net Asset Value/Share (NAV/Share), Assets Under Management (AUM) and Return Comparative to PSEi Return, as follows:

As of 31 December 2019

Fund Name	NAV/Share	AUM (million pesos)	1-year Return
Philequity Fund	37.8971	11,344	3.5%
PSEi			4.7%

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As of 16 September 2020

Fund Name	NAV/Share	AUM (million pesos)	YTD Return
Philequity Fund	29.3409	9,040	-22.58%
PSEi			-23.91%

NAV/Share and AUM decreased to 29.3409 and 9,040 respectively compared to December 31, 2019. YTD Return is down -22.58%. Mirroring or slightly underperforming the -23.91% decline in the PSEi.

CAGR as of 31 December 2019

Fund Name	3 Year Return	5-Year Return	10-Year Return
Philequity Fund	5.1%	0.5%	11.3%
PSEi	5.5%	1.7%	10%

The Fund had outperformed the PSEi.

CAGR since launch date

Fund Name	Launch Date	Years	Fund Return	PSEI Return
Philequity Fund	May 1994	25.7	15.0%	4.0%

The Fund has been in existence for almost 26 years and its annual return has been at 15%, much better than the 4.0% annual return of the PSEi.

And although the Philippine Investment Fund Association (PIFA) has not yet given out its annual awards for the best performing funds for 2019, based on the performance rankings of various funds on the PIFA website, the 10-Year Return Philequity Fund ranked first place while the 3-Year Return Philequity Fund ranked second place.

The Chairman thanked the President for his wonderful performance in managing the Fund inspite of the problems that had been brought about by Covid-19.

The Corporate Secretary informed the Chairman that based on the tabulation of the votes cast in absentia or by proxy on 10 September 2020, stockholders owning Two Hundred Thirteen Million Eight Hundred Eighty Five Thousand Eight Hundred Thirty Eight (213,885,838) shares, representing an attendance of 69.59% of the total outstanding capital stock of the Corporation, had voted in favor of the approval of the Report for the year ended 31 December 2019 together with the Audited Financial Statements for the Fiscal Year ended 31 December 2019. Thus, the following resolution was passed:

“RESOLVED, that the Report on Philequity Fund, Inc.’s Operations and Results for 2019, together with the Audited Financial Statements for the year ended 31 December 2019, be approved.”

RATIFICATION OF ALL ACTS OF THE BOARD OF DIRECTORS AND OFFICERS

The Chairman presented all acts done in the regular course of business by the Board of Directors and Officers from the date of the last stockholders meeting up to the present, for ratification by the stockholders.

The Corporate Secretary informed the Chairman that based on the tabulation of the votes cast in absentia or by proxy on 10 September 2020, stockholders owning Two Hundred Thirteen Million Eight Hundred Eighty One Thousand Nine (213,881,009) shares, representing an attendance of 69.59% of the total outstanding capital stock of the Corporation, had voted in favor

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of the ratification of all acts of the Board of Directors and Officers from the last stockholders meeting up to the present. Thus, the following resolution was passed:

“RESOLVED, that all acts of the Board of Directors and Officers of Philequity Fund, Inc. from the date of the last meeting up to the date of the present meeting be confirmed, ratified and approved.”

ELECTION OF DIRECTORS

The Chairman presented the matter of the election of the members of the Board of Directors of the Corporation for the year 2020-2021.

The Corporate Secretary informed the Board and the stockholders that based on the tabulation of the votes cast in absentia or by proxy on 10 September 2020, stockholders owning Two Hundred Thirteen Million Nine Hundred Fifty Thousand Four Hundred Eighty Two (213,950,482) shares, representing an attendance of 69.62% of the total outstanding capital stock of the corporation, had voted to elect all seven (7) nominees for the Board of Directors, to serve as such until their successors shall have been duly elected and qualified, as follows:

Directors	Votes
Ignacio B. Gimenez	213,571,586
Violeta O. Luym	213,890,272
Aurora L. Shih	213,883,103
Ramon Y. Sy	213,998,140
Felipe U. Yap	213,885,377
Dobbin A. Tan	214,013,842
Norman L. Wee	214,011,051

APPOINTMENT OF EXTERNAL AUDITOR

As recommended by the Audit Committee and endorsed by the Board of Directors, the Chairman presented the reappointment of SyCip Gorres Velayo & Co. as the Corporation’s external auditor for the year 2020.

The Corporate Secretary informed the Chairman that based on the tabulation of the votes cast in absentia or by proxy on 10 September 2020, stockholders owning Two Hundred Thirteen Million Nine Hundred Thirty Seven Thousand One Hundred Two (213,937,102) shares, representing an attendance of 69.61% of the total outstanding capital stock of the corporation, had voted in favor of the reappointment of SyCip Gorres Velayo & Co. as the Corporation’s external auditor for the year 2020. Thus, the following resolution was passed:

“RESOLVED, that the reappointment of SyCip Gorres Velayo & Co. as the Corporation’s external auditor for the year 2020, be approved.

DELEGATION TO THE BOARD OF DIRECTORS OF THE POWER TO AMEND OR REPEAL BY-LAWS OR TO ADOPT NEW BY-LAWS

The Chairman presented the proposal for the Stockholders to delegate the power to amend or repeal the Corporation’s By-Laws, or to adopt new By-Laws to the Board of Directors.

The Corporate Secretary informed the Board and the stockholders that based on the tabulation of the votes cast in absentia or by proxy on 10 September 2020, stockholders owning Two Hundred Thirteen Million Nine Hundred Eighteen Thousand Forty Five (213,918,045) shares, representing an attendance of 69.61% or more than two-thirds (2/3) of the total

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outstanding capital stock of the corporation, had voted in favor of the proposal to delegate the power to amend or repeal the Corporation's By-Laws, or to adopt new By-Laws to the Board of Directors. Thus, the following resolutions were passed:

“RESOLVED, that the stockholders delegate the power to amend or repeal the Corporation's By-Laws, or to adopt new By-Laws, to the Board of Directors.

“RESOLVED FURTHER, that the Corporation's By-Laws be amended to reflect the foregoing delegation.

ADJOURNMENT

There being no other matters to be discussed, the meeting was adjourned.

After the meeting was adjourned, Mr. Miguel Agarao presented the Market Outlook Report for the remainder of 2020 and for 2021. A copy of the said report is annexed herewith for reference.

Attested by:

IGNACIO B. GIMENEZ
Chairman

ATTY. JONATHAN P. ONG
Corporate Secretary