

FIRST METRO INVESTMENT CORPORATION
MINUTES OF THE ANNUAL MEETING
OF STOCKHOLDERS
Thursday, April 28, 2022 at 2:00P.M.
Meeting was conducted virtually via Zoom

Number of Total Outstanding Shares Present or
Represented by Proxy - **369,741,350**

Incumbent Directors Present:

MR. FRANCISCO C. SEBASTIAN
MS. MARY MYLENE A. CAPARAS
MR. JOSE PATRICIO A. DURLAO
MR. ISMAEL G. CRUZ
MR. MARTIN Q. DY BUNCIO
MR. JOSHUA E. NAING
ATTY. RAPHAEL PERPETUO M. LOTILLA
MR. RUFINO LUIS T. MANOTOK
MR. BENEDICTO JOSE R. ARCINAS

Corporate Officers:

ALESANDRA TY, Corporate Secretary
NIMFA B. PASTRANA, Asst. Corporate Secretary
NICHOLAS JAMES T. DY BUNCIO, Asst. Corporate Secretary

Stockholders:

MR. CHRISTOPHER HECTOR L. REYES

Other stockholders present or represented by their proxy are listed in Annex A

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I. CALL TO ORDER

In view of the pandemic situation, the company is unable to conduct this year's annual stockholders' meeting physically. Instead the meeting was conducted via remote communication with the stockholders participating by electronic means, pursuant to the rules of the Securities and Exchange Commission.

The Chairman, Mr. Francisco C. Sebastian, presided and called the meeting to order at 2:00 p.m., and the Corporate Secretary, Ms. Alesandra T. Ty, recorded the minutes.

II. PROOF OF NOTICE AND QUORUM

The Corporate Secretary certified that the notice for the 2022 Annual Stockholders' Meeting was published to notify the stockholders of record, in the Business section of Malaya and The Manila Times on April 6 and 7, 2022 in print and online format, and in the company's website, in accordance with SEC regulations.

She also certified that there are actually present in person or represented by their proxies, by remote communication **369,741,350** common shares out of the **372,465,962** common shares outstanding. These constituted **99.27%** of the outstanding capital stock, thus, a quorum existed. Thereupon, the Chairman declared that the meeting was duly constituted to transact the business stated in the agenda.

III. APPROVAL OF MINUTES

The Chairman took up the next item in the agenda which was the approval of the minutes of the Annual Meeting of the Stockholders held on April 30, 2021.

The Corporate Secretary explained the procedures and the required votes for each item presented.

The host of the meeting launched the poll question and the stockholders casted their votes.

The Corporate Secretary certified that based on the preliminary voting results, there were 99.27% who voted in favor . None voted against, and there are no abstentions.

Upon motion duly made and seconded, the minutes of the Annual Stockholders Meeting held on April 30, 2021 was unanimously approved.

IV. **REPORT OF THE PRESIDENT**

The President, Mr. Jose Patricio A. Dumlao rendered the following report to the stockholders:



In many respects, 2021 proved to be another tough year as we endured the challenges brought about by the pandemic, but First Metro did not waver. We relentlessly pursued our mission to move capital, banking on our experience, expertise and in-depth knowledge of the capital markets.

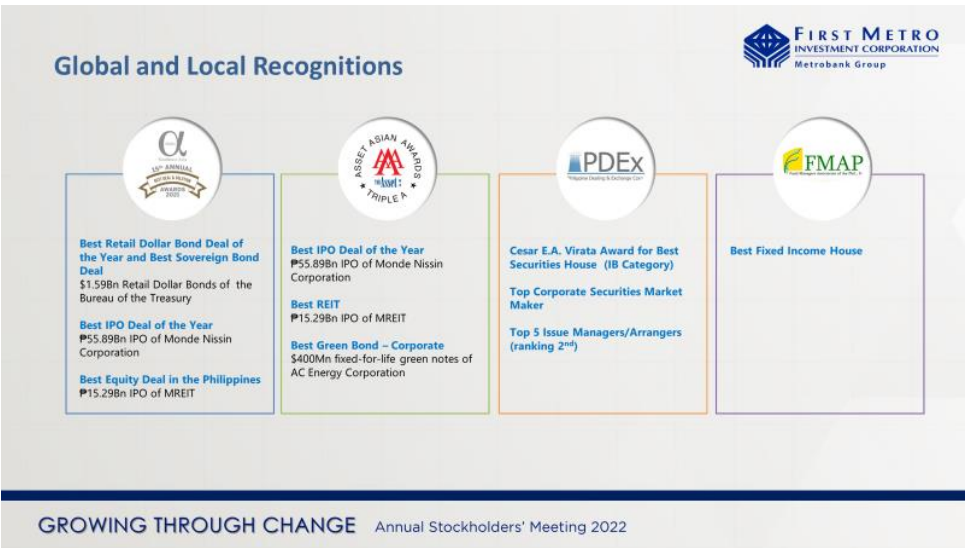
Achievements for the year

Despite a difficult and changing market environment, with the support of our parent bank – Metrobank, our resilience and adaptability allowed us to rise above the tides of change.

First Metro pulled-off significant and impactful deals, and managed to capture 87% of the total capital markets transactions in 2021, raising over P1.12 trillion for both the government and the private sector.

The Investment Banking Group completed 22 deals including the largest initial public offering (IPO) in history – Monde Nissin Corp.'s P55.89 billion IPO. We participated in 10 out of the 16 corporate bond issuances and in the three major REITs IPOs – FILREIT, RL Commercial REIT and MREIT.

We also helped the national government raise a total of P903 billion, intended for the country's priority projects focused on enhancing the government's response against the pandemic.



In a year marked with uncertainty and volatility, not only did First Metro thrive, create value for our clients and fulfill our role as prime mover of capital, we were also recognized by international and local institutions for our excellent work.

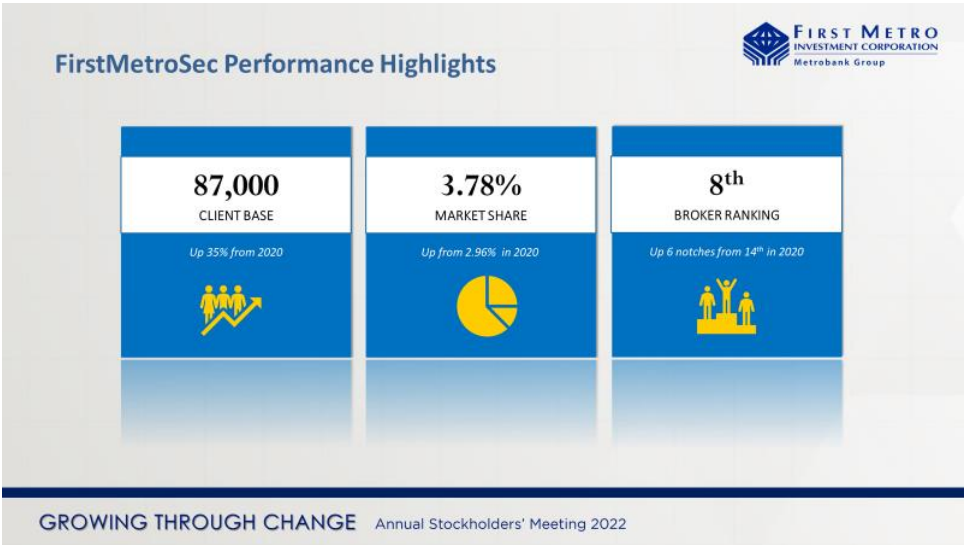
The Bureau of the Treasury’s US\$1.59 billion Retail Dollar Bonds bagged the Best Retail Dollar Bond Deal of the Year and Best Sovereign Bond Deal of the Year awards from Alpha Southeast Asia.

The P55.89 billion IPO of Monde Nissin Corp. was awarded the Best IPO Deal of the Year in the Philippines by Alpha Southeast Asia and The Asset.

The P15.29 billion IPO of MREIT, Inc. was chosen as the Best Equity Deal in the Philippines also by Alpha Southeast Asia and Best REIT by The Asset.

AC Energy Corporation’s US\$400 million fixed-for-life green notes, received the Best Green Bond – Corporate from The Asset.

In the local front, we were once again accorded the Cesar E.A. Virata Award for Best Securities House, investment bank category, by the PDS Group. We were also awarded the Top Corporate Securities Market Maker for the tenth time in a row, and among the Top 5 Issue Managers/Arrangers, ranking 2nd. The Fund Managers Association of the Philippines (FMAP) in their Bankers and Brokers Poll recognized First Metro as the Best Fixed Income House in 2021.



Our stock brokerage arm, FirstMetroSec, was also relentless and stayed focus on its goals. In 2021, FirstMetroSec continued to capitalize on the changes and opportunities brought about by the pandemic. Its customer base increased to 87,000, 35% more than the previous year. Market share in the Philippine Stock Exchange likewise grew from 2.96% to 3.78% and broker ranking in terms of trading volume improved from number 14 to number 8.

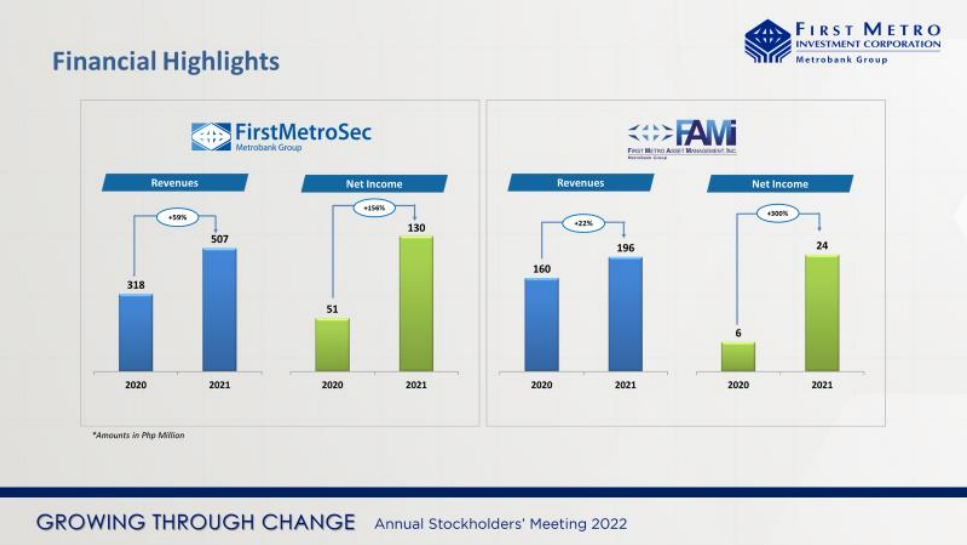
FirstMetroSec also continued to enhance its online trading platform and expand its product offerings to further improve customer experience and address the ever-changing needs of the market.



First Metro Financial Highlights			
In Php Million	2020	2021	Change YoY
Operating Income	975	1,305	34%
IB and Other Related Fees	443	757	71%
Net Interest Margin	356	245	-31%
Net Trading Gains	37	128	248%
Share in Net Earnings of Associates	618	495	-20%
Net Income	364	340	-7%
<small>*Consolidated figures</small>			

Amid a tough operating environment, First Metro ended the year with total net income of P340 million, 7% lower than the previous year. Total gross operating income reached P1.3 billion. Investment banking and other related fees amounted to P757 million, 71% higher than 2020. Net interest income derived from investment and borrowing activities contributed P245 million. Dividends earned from our investment in tradable and non-tradable stocks and share in the net earnings of associate companies likewise contributed P143 million and P495 million, respectively. Net trading gains from trading activities amounted to P128 million, 248% higher than the previous year's P37 million.

First Metro recorded 2.23% return on average equity and 1.02% return on average assets.



FirstMetroSec, on the other hand, finished the year strong as total revenues reached P507 million, 59% up from last year's P318 million. Net income grew by 156%, from P51 million to P130 million.

FAMI also showed a good performance with a 22% increase in total revenues, from P160 million in 2020 to P196 million in 2021. Its net income grew by 300%, from P6 million to P24 million.



The changes caused by the pandemic pushed us to strive harder, not only to go through change but also grow alongside it.

With the BSP’s approval of the voluntary return of our quasi-banking license, the past year also saw the company pivot to a new business strategy. A transformation plan focused on strengthening our investment banking business as well as deepening the synergy of our three companies, First Metro Investment, First Metro Securities and FAMI, while further enhancing our collaboration with Metrobank. This strategy, we coined ONE FIRST METRO, will allow us to better serve the needs of our clients, respond more aptly to the changing demands of the market and ensure the sustainability of our business in the years to come.



In pursuit of this new business strategy, we recognize that we need to build on our capabilities, harness the core competence of our people and improve our operations across the organization. We are also putting greater emphasis on digitalization to make sure we are prepared for the next wave of developments in this digital age.



Moving forward, our growth aspiration will focus on building ONE FIRST METRO. To achieve this, we must keep a ONE FIRST METRO mindset and move as ONE FIRST METRO in all aspects of our activities. We must take ownership of all our products and services and make a deliberate effort to promote the businesses of the First Metro Group that is relevant to our clients, while capitalizing on the strength of the Metrobank franchise. Moving as ONE FIRST METRO will bring about a great deal of opportunities for us.

By creating a better synergy, we will be stronger and in a better position to help our partners grow. With a broader spectrum of product and service offering, from best in class investment banking services to a wide array of investment products for both the big institutions and small investors, either through our seasoned financial and investment advisors or through our state-of-the-art online investing platform, we will be able to harness our strength as a Group, provide our customers with seamless one-stop-shop services for their financial needs and create meaningful value to them.

Growth, however, is never without pain and sacrifice. It entails changing old habits and learning new things, moving out of our comfort zone and doing what's necessary. We must recognize that we are in an utterly different business environment with a tougher competition landscape, but if we stay true to our mission and embrace our growth aspiration, as ONE FIRST METRO, all these changes will serve to strengthen us.

In closing, I would like to express my gratitude to the Board, that has served as our guiding light as we traverse the path of change and our beacon during dark hours. To the management team and the First Metro Group employees, the lifeblood of this institution, thank you for your unyielding commitment,

dedication and hard work, especially during these difficult times. Lastly, my great appreciation to our clients and partners, whose unwavering trust and support continue to invigorate us to be faithful to our vision and press on to work even harder and with greater determination.

The Chairman asked if there is any question from the stockholders. There being no question, the Chairman took note of the report and thanked the President

V. RATIFICATION OF CORPORATE ACTS

The Chairman informed the stockholders of the need to ratify and confirm the minutes of the meetings of the Board of Directors and the Executive Committee, all the acts, transactions and resolutions of the Board of Directors, the Executive Committee and Management including the service agreements entered into with its subsidiaries, and related party transactions for the year 2021. The Chairman explained the nature of the related party transactions and stated that pursuant to regulations, these related party transactions must be submitted to the stockholders for confirmation. The list of related party transactions endorsed by the RPT Committee and approved by the Board from January to December 2021 was included in the Definitive Information Statement which was made available to the stockholders prior to the meeting. A summary of the RPT transactions was also read during the proceedings.

The host of the meeting launched the poll question and the stockholders casted their votes.

The Corporate Secretary certified that based on the preliminary voting results, there were 99.27% who voted in favor. None voted against, and there are no abstentions.

Upon motion duly made and seconded, the following resolution was unanimously approved and adopted by the stockholders present:

RESOLUTION No. ASM-2022-04-01

RESOLVED, that the minutes of the meetings of the Board of Directors, and the Executive Committee and all acts and transactions and resolutions of the Board of Directors, the Executive Committee and Management including the service agreements entered into by the company with its subsidiaries for the year 2021, be, as they are hereby confirmed and ratified.

RESOLVED FINALLY, that the related party transactions reviewed by the Related Party Transaction Committee and approved by the Board for the period January 1, to December 31, 2021, appearing in the minutes of meetings of the Board and the RPTC, be as they are hereby confirmed and ratified.

VI. ELECTION OF THE MEMBERS OF THE BOARD OF DIRECTORS

Director Raphael Perpetuo M. Lotilla, member of the Nomination Committee, explained the nomination procedure under current Bangko Sentral Pilipinas (BSP) and Securities and Exchange Commission (SEC) rules. Pursuant to the Company's manual on Corporate Governance, a Nomination Committee was created. He introduced the members of the committee namely: Mr. Francisco C. Sebastian, Ms. Mary Mylene A. Caparas and himself. The Committee was tasked to review and evaluate the qualifications of all persons nominated to the Board.

Director Lotilla stated that the Committee, pursuant to its mandate, had reviewed the qualifications of the following stockholders who were duly nominated to the Board of Directors:

MS. MARY MYLENE A. CAPARAS
MR. JOSE PATRICIO A. DURLAO
MR. ISMAEL G. CRUZ
MR. MARTIN Q. DY BUNCIO
MR. JOSHUA E. NAING
MR. RUFINO LUIS T. MANOTOK
ATTY. RAPHAEL PERPETUO M. LOTILLA
MR. BENEDICTO JOSE R. ARCINAS
MR. CHRISTOPHER HECTOR L. REYES

The Committee certified that based on records, the nominees have all the qualifications and none of the disqualifications prescribed by law and regulations.

Also, as required by the SEC Memorandum Circular No. 16, Series of 2002 on the Guidelines on the Nomination and Election of Independent Directors, three (3) out of nine (9) nominees for directors are independent directors namely; Messrs. Raphael Perpetuo M. Lotilla, Rufino Luis T. Manotok, and Benedicto Jose R. Arcinas.

The host of the meeting launched the poll question and the stockholders casted their votes.

Ms. Patricia D. Jauregui, proxy of Mr. Romualdo A. Ong moved for the election of the above named stockholders which was seconded by another stockholder.

The Corporate Secretary certified that based on the preliminary voting results, there were 99.27% who voted for the election of the aforementioned directors. No one voted against, and there are no abstentions. The above named stockholders were considered elected as members of the Board of Directors for the year 2022-2023 to act as such until their respective successors shall have been elected and qualified, or unless sooner terminated or resigned.

The Chairman acknowledged and thanked the stockholders for their trust and confidence in the Board of Directors and the management.

VII. APPOINTMENT OF EXTERNAL AUDITOR

The Chairman then took up the next item in the agenda which was the appointment of the external auditor for the fiscal year 2022.

The host of the meeting launched the poll question and the stockholders casted their votes.

The Corporate Secretary certified that based on the preliminary voting/poll results, there were 99.27% who voted in favor. None voted against, and there are no abstentions.

Upon motion duly made and seconded, the following resolution was unanimously approved and adopted:


RESOLUTION No. ASM-2022-04-02

RESOLVED, that SYCIP, GORRES, VELAYO & COMPANY be, as it is hereby, appointed as external auditor of First Metro Investment Corporation for the Fiscal Year 2022.

VIII. ADJOURNMENT

There being no other matters to discuss, upon motion duly made and seconded, the meeting was adjourned at 3:30 p.m.

NICHOLAS JAMES T. DY BUNCIO
Assistant Corporate Secretary


NIMFA BALMES-PASTRANA
Assistant Corporate Secretary

ALESANDRA T. TY
Corporate Secretary

ATTESTED BY:

FRANCISCO C. SEBASTIAN
Chairman of the Board of Directors and
Chairman of the Meeting

ANNEX B

Excerpt from the Definitive Information Statement (SEC 20-IS)

Item 2. Right of Appraisal:

There are no actions or matters to be taken up at the Annual Stockholders Meeting that will give rise to a possible exercise by security holders of their right of appraisal.

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Item 4. Voting Securities and Principal Holders Thereof:

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c) Manner of voting

A shareholder may vote in person, by proxy or by remote communication. Article II, Section 6 of the Amended By-Laws of the Corporation provides that any shareholder entitled to vote at shareholders' meetings may be represented and vote thereat by proxy appointed in an instrument in writing, subscribed by such shareholder or by his duly authorized attorney-in-fact, and delivered to the Secretary at least five (5) business days or such other period as may be determined by the Board of Directors. Proxies shall be properly signed, but they shall require no other attestation.

In addition, Article II, Section 7 of the By-Laws states that at each meeting of the shareholders, every shareholder entitled to vote on the particular question or matter involved shall be entitled to one (1) vote for each share of stock standing in his name on the books of the Corporation at the time of the closing of the transfer books for such meeting.

Pursuant to SEC Memorandum 10-2020, for the 2022 annual shareholders meetings, shareholders may opt to participate and vote through remote communication. The board in its meeting last February 21, 2022 approved to adopt the guidelines previously approved by the Board in 2020, for shareholders to participate via remote communication in the shareholder's meeting.

Remote communication is defined under the said circular as participation through a telephone conference, video conference, audio conference, or computer conference.

A shareholder who intends to participate through remote communication will give notice to the Corporate Secretary on his preferred means of participation, the gadgets that will most likely be used, and send a scanned copy of a government issued identification document, with recent photograph, in accordance with the periods as specified in the by-laws, the board resolution or notice as sent by the Corporate Secretary. Any shareholder who is unable to send any identification document shall not be allowed to participate through remote communication.

The intention/notice to participate through remote communication shall only be valid for the particular meeting for which it is given, and shall not be considered for any subsequent meeting that may be called.

A participation by a shareholder in a meeting through remote communication automatically voids any proxy he/she has given for the particular meeting.

In the event that more than ten (10) shareholders have signified their intention to participate through remote communication, the Corporate Secretary, at least thirty minutes before the scheduled time of the meeting, shall validate the identity and attendance of such shareholders. Officers and other staff may be deputized to make such validations. The shareholders shall initially be required to confirm the following:

- a. Full name and date of birth;
- b. Location;
- c. Confirmation that he/she can hear the other attendees;
- d. Confirmation that he/she had received the notices and other materials for the meeting;
- and
- e. Specify the gadget being used.

Shareholders who are participating through remote communication will be considered present for purposes of voting. Those who have objections to matters that would require voting in the agenda shall confirm their objections through email or short messaging services within twenty-four hours from the time of the meeting. The Corporate Secretary shall note such objections in the Minutes.

In the election of Directors, cumulative voting is allowed. Article II, Section 8 of the By-Laws states, in accordance with Section 24 of the Corporation Code, that at each election for Directors, every shareholder, entitled to vote at such election shall have the right to vote, in person or by proxy, the number of shares owned by him for as many persons as there are Directors to be elected and for whose election he has a right to vote, or to cumulate his votes by giving one candidate as many votes as the number of such Directors multiplied by the number of his shares shall equal, or by distributing such votes on the same principle among any number of candidates.

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Item 19. Voting Procedure

A. The votes of all the shares present or represented at the meeting will be on a per share basis.

B. For the approval of the minutes of 2021 meetings and ratification/approval of the acts and resolutions of the board, every shareholder shall be entitled to one (1) vote for each share of stock standing in his name on the books of the Corporation at the time of closing. A majority vote of the stockholders present in the meeting is sufficient to approve and ratify the corporate acts mentioned

C. For the election of Directors

Cumulative voting is allowed provided that the total votes cast by a stockholder shall not exceed the number of shares registered in his name in the books of the corporation as of the record date multiplied by the whole number of directors to be elected. If the number of nominees does not exceed the number of Directors to be elected, the Secretary of the meeting, upon motion made, will be instructed to cast all votes represented at the meeting in favor of the nominees. However, if the number of nominees exceeds the number of Directors to be elected, voting shall be done by secret ballot.

D. Methods by which votes will be counted

Voting shall be made through an online poll mechanism when the item is discussed and flashed on the screen. The votes will be automatically counted during the meeting.