

**MINUTES OF THE ANNUAL MEETING OF STOCKHOLDERS
OF EMPERADOR INC.**

held on 15 May 2017

at the Grand Ballroom, Eastwood Richmond Hotel, 17 Orchard Road, Eastwood City
Bagumbayan, Quezon City, Metro Manila, Philippines

I. CALL TO ORDER

The President, Mr. Winston S. Co, acted as Presiding Officer and called the meeting to order at 09:03 a.m.

II. CERTIFICATION OF NOTICE AND QUORUM

The Corporate Secretary certified that all stockholders as of 07 April 2017, the record date of the Annual Meeting, have been notified of the Annual Meeting and that there exists a quorum for the transaction of business for the Annual Meeting, there being present in person or represented by proxy, stockholders holding 94.77% of the subscribed and outstanding capital stock of the Corporation.

III. APPROVAL OF MINUTES OF THE PREVIOUS ANNUAL MEETING OF STOCKHOLDERS HELD ON 16 MAY 2016

The Presiding Officer informed the stockholders that the next item on the agenda is the reading and approval of the Minutes of the Previous Annual Meeting of the Stockholders held on 16 May 2016.

A motion was made to dispense with the reading of the Minutes of the Previous Annual Meeting of the Stockholders held on 16 May 2016 as copies thereof had earlier been furnished to all stockholders in attendance and to approve these Minutes. After having been duly seconded, the Minutes of the Previous Annual Meeting of the Stockholders held on 16 May 2016 was approved.

IV. REPORT OF MANAGEMENT

The Presiding Officer then turned the floor over to Mr. Kevin Andrew L. Tan, Executive Director of Alliance Global Group, Inc. who delivered the following message on behalf of Dr. Andrew L. Tan, Chairman of the Board:

More than four decades ago, my late father gave me a special treat for my graduation from university. Together with friends and family, we opened and finished three bottles of Fundador Brandy to mark this major milestone in my life. I am quite certain that this is the kind of scene that is replicated by many other families who celebrate not only the graduation of their children, but also other joyous occasions.

It was therefore meaningful—both personally and professionally—that we had the opportunity to forge an agreement in November 2015 to acquire Fundador as part of the purchase of the brandy and sherry business in Jerez de la Frontera, the brandy capital of Spain. The acquisition was completed in March 2016, consequently expanding our brandy portfolio while contributing to revenues and earnings in 2016. I feel so much pride that our company, Emperador, owns the iconic Fundador brandy, the Philippines' best-selling premium imported brandy.

The purchased assets included three brands, namely: Harveys, the number one selling sherry wine in the United Kingdom; Terry Centenario, Spain's number one selling brandy; and Tres Cepas, the number one brandy in Equatorial Guinea. The purchased assets also included Spain's largest and oldest brandy cellars Bodegas Fundador, which was established in the year 1730, production facilities, ageing cellars, vineyards and state-of-the-art blending and bottling facilities in Jerez, a brandy distillery in Tomelloso, as well as all ageing inventory, related machinery, ✓

tools and equipment, finished products, intellectual property and transferring employees.

The acquisition of Bodegas Fundador, along with that of Scotch whisky company Whyte and Mackay in 2014, has transformed Emperador, once a purely domestic company into a global liquor company. Our brands are now being sold in more than 100 countries all over the world.

Our financial results are just as impressive as our portfolio. Emperador Inc. grew its net profit last year by 11% to Php7.7 billion on higher margins from both our domestic and international liquor businesses. Driven by high-margin brandy and whisky products, we have been able to sustain our earnings growth per annum from 2011 to 2016 at 27%. We achieved our highest quarterly earnings in the fourth quarter of 2016, amounting to almost Php2.8 billion and reflecting an increase of 23% over the fourth quarter of 2015. Our consolidated revenues in 2016 stood at Php41 billion.

I am also happy to report that we received two awards at the 2016 International Review of Spirits organized by the Beverage Testing Institute in Chicago, USA.

Among the 14 winners in the Dark Brandy category, Emperador Solera Reservada won the silver award (highly-recommended), with added special recognition as "Best Buy" by garnering 89 points. Emperador Light, meanwhile, received the bronze award (recommended) with 83 points. The "Best Buy" recognition is an added excellence award and is only given to the spirits or wines that provide uncommon value. Emperador Solera Reservada and Emperador Light were the only Filipino brandies to be included among the world's best.

The awards mentioned were based on a points system, which is modified to a 100-point scale. The review was conducted through a series of blind-tasting tests by the Beverage Testing Institute's panel of highly experienced wines and spirits tasters and tastemakers from around the world.

At home, we continue to be the Philippines' largest liquor company, underpinned by products such as our Emperador and Fundador brandies as well as our imported single malt whiskies The Dalmore, Jura and Andy Player Whisky.

The year 2016 was more than a showcase of our stellar financial performance and the global accolades we received. It marked yet another solid year of teamwork, alignment and focus from all our stakeholders in the pursuit of our goal of strengthening our company's position. Cost efficiencies coupled with improved business processes and sustained staff commitment have allowed us to meet and even exceed our targets. I sincerely thank everyone who has made all these possible, and I look forward to meeting the challenges of the year ahead.

After the Chairman's Message, the Presiding Officer turned over the floor to Mr. Kenneth Nerecina who made a short presentation on the Company. Thereafter, the floor was opened for questions from the stockholders.

OPEN FORUM

Stockholder 1: Good morning. My name is Jonathan Dolor and I'd like to congratulate for the continued success, especially for the awards it has received. Now in 2016 Emperador has made overseas acquisitions. Do we see any more acquisitions, moving forward?

Mr. Co: Actually we are quite happy with where we are today. We are able to acquire some of the world's best brands. For example, for the Whyte & Mackay business, we are able to acquire the Dalmore which is the apex of the single malt whisky. We have a flagship store. If you are not familiar with it, I would like to invite you to the Dalmore flagship store. This is at the Uptown Parade which is ✓

beside the Valkyrie Club. I'm sure you are familiar with the Valkyrie Club. And we have a flagship store and in that particular store you'll be able to see some of the most exquisite and expensive liquid on planet Earth. We have a collection there of 21 bottles of the Dalmore constellation worth 18 million pesos and we have the Dalmore 50 year old which is valued at 3.5 million pesos per bottle. In fact, the one single bottle allotted to the Philippines has been sold. So if you want to visit please come to the store. It's a very very nice store. And our Dalmore as mentioned earlier in the presentation we are growing significantly in Europe, in the US, as well as here in Asia. So when you go around on your travels, please make sure to pass by the Duty Free stores globally. If you are in Dubai, in Hong Kong, in Singapore, you can pass by, go around the Duty Free stores, you'll be able to see the massive display and merchandising of Dalmore, Jura, and in some markets, Fundador. So we are very happy with our acquisition for the whisky business. And for Fundador which we are all very familiar, it is a very good acquisition for us. And recently you must have heard that we have acquired, together with our 50% joint venture partner the Mexican brandy business from Pernod Ricard. There is a brandy called Presidente Brandy which is the largest selling brandy in Mexico. Now we also own that. We own the largest brandy in the Philippines, the largest brandy in Spain, and now we also own the largest brandy brand in Mexico. I think we are happy with where we are. We continue to be very focused on our brandy business in the Philippines and globally. In the next couple of years we will focus our attention in growing these two products that we have, the brandy and the whisky, locally and internationally. So we are happy in the space that we are now.

Stockholder 2: Good morning. My name is JP Molina. My question is, what do you think about the Company's stock price considering that Emperador has increased its profits consistently over the past few years?

Mr. Co: We believe it is seriously undervalued, that's why we have embarked on a share buy-back program. The Company has earmarked 5 billion pesos to buy back shares from the Market for a period of two years, so we believe that with this share buy-back program of 5 billion pesos allotment we can create shareholder's value and bring the value to where it has to be.

Stockholder 3: Good morning Sir. My name is Patricia Ang. Emperador has been talking about premiumization since 2014. How is the Company's doing at this point with respect to the strategy?

Mr. Co: As you have seen from the presentation earlier, we are moving forward to new and more exciting products like you have seen, the Andy Player Whisky, Andy Cola, and now the hottest Emperador ever, which is the Emperador Hotshots. We believe that in the next five years, there will be significant premiumization that will happen to the spirit category. And because of the improving Philippine economy and purchasing power of the growing middle class. So our strategy here is not only to bring our international brands, like the Whyte & Mackay brands, the Dalmore, Jura, and Fundador, and Tres Cepas, into the country, and we are also introducing premium Emperador brandy products to the domestic market. And I would like to announce that for our shareholders, as you leave this room, we are happy to share with you some products, the Andy Cola and the Hotshots, so you may be the first, or among the firsts to enjoy and taste our world-class product. Well, the Hotshots is something that is very interesting. It's for the younger people, like me, eighteen to twenty five years old, and it is a shooter. You know what is a shooter? You have to drink it in a shot glass, so the best way to drink it is three shots at a time. It is sort of a dare drink. It's for young people, dare drink, three shots at a time. Why is it called Hotshots? The first sensation that you will feel when you drink or shoot the product, is hot spice cinnamon. You know that cinnamon is a good product. You can Google that, it's healthy. They say it's anti-aging. This product is hundred percent natural. When you shoot that, you'll have this warm fuzzy feeling in your mouth, and after that is a warm sensation that goes down your throat and there's a sweet after taste that comes from the cinnamon. It's a fantastic product. This is a collaboration with our facility in Spain. I hope you enjoy it. You can drink it at room temperature or slightly chilled. Remember, three shots at a single go.

Stockholder 4: Good morning. I'm Ica Cenizal. Given the new products that you have launched today, how does the management intend to strengthen and protect its position against its major competitors for both local and international?

Mr. Co: Well, the competition will always be there. The competition should bring out the best of us. In the global arena, we are competing with global players as well. They say that challenges are opportunities in working clothes so as a company, we will overcome challenges because I believe that will make us better and on a global basis we are competing in a global arena and as such, we have ✓

so much learning from the international market that we can bring to the Philippines and Hotshots is one of these products.

Stockholder 5: Good morning Sir. I'm Chloe Lima. What does the management think about its capital position particularly in terms of debt which has apparently increased in the back of acquisitions?

Mr. Co: Well we are financially very strong as you have seen and all our acquisitions are accretive and the wonderful thing about us is that though we have taken some debt on our books, we believe this is creating greater shareholder value for all of us.

Stockholder 6: Good morning, Chairman, fellow shareholders. My name is Robert Go. I want to ask about the Andy Player Bunso.

Mr. Co: It's Emperador Bunso.

Stockholder 6: Yes, Emperador Bunso. When going to the convenience store, do you need deposits to return the bottles?

Mr. Co: We are not like soft drinks.

Stockholder 6: But beer requires deposits.

Mr. Co: Yes. No need for deposits, Sir.

Stockholder 6: So we can discard the bottle.

Mr. Co: Yes you can discard the bottle. You can also sell it to the kariton boys, you know. It's being collected.

V. RATIFICATION OF ACTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS, BOARD COMMITTEES, AND MANAGEMENT

The Presiding Officer informed the stockholders that the next item on the agenda is the ratification of all acts and resolutions of the Board of Directors, Board Committees and Management of the corporation up to the date of this meeting. He informed the stockholders that these include, among others, the appointment of officers, opening and maintenance of bank accounts and other bank transactions, approval and issuance of financial statements, declaration of dividends, appointment of proxies and nominees, approval of share buyback program, appointment of authorized signatories and representatives, corporate contracts, and other similar activities of the Company which were duly adopted in the ordinary course of business.

Upon motion made and duly seconded, the stockholders ratified all acts and resolutions of the Board of Directors, Board Committees and Management of the corporation during the period up to the date of this meeting.

VI. APPOINTMENT OF EXTERNAL AUDITORS

The Presiding Officer informed the stockholders that the Board of Directors, upon recommendation of the Audit Committee, has resolved to re-appoint Punongbayan and Araullo as external auditors of the Corporation for the audit of the corporation's financial statements for the year ending December 31, 2017, and that this is now being submitted for approval by the stockholders.

Upon motion made and duly seconded, the stockholders approved the re-appointment of Punongbayan and Araullo as the external auditors of the Corporation for the audit of the Corporation's financial statements for the year ending December 31, 2017. ✓

VII. ELECTION OF DIRECTORS

The Presiding Officer informed the stockholders that, for the current year 2017, the corporation will be electing seven directors, at least two of whom shall be independent directors pursuant to the Securities and Regulation Code and the corporation's Revised Manual of Corporate Governance. He then requested Ms. Loren Kay Ostia, on behalf of the Nomination Committee, to present the Final List of Nominees for members of the Board of Directors.

Ms. Loren Kay Ostia, on behalf of the Nomination Committee, presented the Final List of Nominees for election as members of the Board of Directors, as follows: Andrew L. Tan, Winston S. Co, Katherine L. Tan, Kendrick Andrew L. Tan, Kingson U. Sian as regular directors and Alejo L. Villanueva, Jr. and Enrique M. Soriano III as the independent directors. Ms. Ostia likewise reported that the Final List of Nominees for election as directors of the corporation possess all the required qualifications and none of the disqualifications to hold office as directors of the corporation.

The Corporate Secretary then informed the Presiding Officer that no further nominations shall be allowed pursuant to the corporation's By-Laws, as amended.

Upon motion made and duly seconded, since there were only seven nominees and there are only seven seats in the Board, all seven nominees were considered elected to the Board of Directors for the current year 2017.

VIII. OTHER MATTERS

The Corporate Secretary informed the Presiding Officer that there are no other matters in the agenda.

IX. ADJOURNMENT

On motion made and duly seconded, the meeting was adjourned at 09:50 a.m.

NOTED:


WINSTON S. CO
President/

CERTIFIED CORRECT:


DOMINIC V. ISBERTO
Corporate Secretary