

MINUTES OF THE ANNUAL MEETING

OF THE STOCKHOLDERS OF

MACROASIA CORPORATION

Held on 18 July 2014 at 3:00 P.M.

at the Kachina Room, Century Park Hotel

599 Pablo Ocampo Sr. Street, 1004 Malate, Manila

I. CALL TO ORDER

The Chairman, Mr. Washington Z. SyCip, called the meeting to order and presided over the same. The Corporate Secretary, Ms. Marivic T. Moya, recorded the minutes of the meeting.

II. CERTIFICATION OF NOTICE

Ms. Moya stated that in accordance with Section 2.03 of Article II of the By-Laws of the Corporation, notices for the meeting were sent by mail and/or special messengerly service at least ten (10) days prior to the date of the meeting to all stockholders of record as of 9 June 2014, the record date fixed by the Board of Directors of the Corporation for the meeting.

Ms. Moya further stated that notices were published in The Philippine Star on 7 July 2014. The Affidavit of Publication issued by Philstar Daily, Inc. publisher of The Philippine Star, is attached hereto as Annex "A".

Ms. Moya therefore certified that notices for the meeting were duly sent.

III. CERTIFICATION OF QUORUM

Ms. Moya stated that based on the attendance record and the proxies and/or powers of attorney on hand, stockholders owning Nine Hundred Twenty Three Thousand Three Hundred Sixty Seven Thousand Five Hundred Forty Eight (923,367,548) shares representing 73.87% of the total issued and outstanding capital stock of the Corporation were present or represented in the meeting.

Ms. Moya certified that a quorum existed for the valid transaction of business.

IV. APPROVAL OF MINUTES OF PREVIOUS MEETING

The Chairman then proceeded to the next item in the Agenda, which pertains to the reading and approval of the Minutes of the Annual Stockholders' Meeting held on 19 July 2013.

After discussion and upon motion duly made and seconded, the stockholders approved the Minutes of the Annual Stockholders' Meeting held on 19 July 2013.

V. MANAGEMENT REPORT

Mr. Joseph T. Chua, the Corporation's President and Chief Executive Officer, reported on the results of operations of the Corporation and its subsidiaries for the year ended 31 December 2013. A copy of the President's Report is attached hereto as Annex "B".

In response to a stockholder's question on the mining business of the Corporation, Mr. Chua stated that Management is evaluating various offers relating to the disposition or joint operation of the mine. Mr. Chua further stated that MacroAsia Mining Corporation, a wholly-owned subsidiary of the Corporation, is performing nickel exploration and mine management services to 3rd party clients.

In response to a stockholder's question on the A380 business of Lufthansa Technik Phils., Inc. ("LTP"), Mr. Chua stated that there is so much potential for LTP in this area. LTP is performing cabin modification works for the entire A380 fleet of Qantas Airways and will also carry out C-checks for Air France's A380 aircraft. LTP is also looking at either expanding its A380 hangar or building an additional hangar for its growing A380 business.

After the foregoing discussion and upon motion duly made and seconded, the stockholders approved the Management Report.

VI. APPROVAL OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013.

The Chairman then proceeded to the next item on the Agenda, which pertains to the approval of the Audited Financial Statements of the Corporation for the year ended 31 December 2013.

Upon motion duly made and seconded, the stockholders approved the Audited Financial Statements of the Corporation for the year ended 31 December 2013.

VII. APPROVAL, CONFIRMATION AND RATIFICATION OF ALL ACTS, PROCEEDINGS AND RESOLUTIONS OF THE BOARD OF DIRECTORS AND MANAGEMENT.

The Chairman then proceeded to the next item on the Agenda, which pertains to the approval, confirmation and ratification of all acts, proceedings and resolutions of the Board of Directors and Management of the Corporation since the last Annual Stockholders' Meeting held on 19 July 2013.

Upon motion duly made and seconded, the stockholders approved the following resolution:

"RESOLVED, That all acts, proceedings and resolutions of the Board of Directors and of Management since the last Annual Stockholders' Meeting held on 19 July 2013 up to today's meeting be, as they are hereby approved, confirmed and ratified."

VIII. AMENDMENT OF ARTICLES OF INCORPORATION

Ms. Moya informed the stockholders that the Securities and Exchange Commission, per its Memorandum Circular No. 6 dated 20 February 2014, has required companies to specify their complete address in their Articles of Incorporation.

In view of the foregoing, the Corporation has to amend the Third Article of its Articles of Incorporation to change the principal office address of the Corporation from "Makati, Metro Manila" to "12/F PNB Allied Bank Center, 6754 Ayala Avenue, Makati City."

Ms. Moya informed the stockholders that the Board approved the amendment to the Third Article of the Articles of Incorporation of the Corporation.

After discussion and upon motion duly made and seconded, the stockholders approved the following resolutions:

"RESOLVED, That the Third Article of the Articles of Incorporation of the Corporation be amended to read as follows:

"THIRD - That the place where the principal office of the Corporation is to be established or located shall be at 12/F PNB Allied Bank Center, 6754 Ayala Avenue, Makati City, without prejudice to the opening or maintenance of such branch correspondents or representative offices or outside of the Republic of the Philippines, as the exigencies of the business or operation of the Corporation may require or dictate from time to time."

"RESOLVED FURTHER, That the President, Corporate Secretary, and other proper officers of the Corporation be, as they are hereby authorized to sign, execute, deliver, and file any and all necessary documents with the Securities and Exchange Commission and perform all acts and deeds as may be necessary or appropriate to fully implement the foregoing resolution."

IX. AMENDMENT OF BY-LAWS

Ms. Moya informed the stockholders that the Corporation has to amend Article I, Section 1.04 of its By-Laws to change the principal office address of the Corporation from "Metro Manila" to "12/F PNB Allied Bank Center, 6754 Ayala Avenue, Makati City."

Ms. Moya informed the stockholders that the Board approved the amendment to Article I, Section 1.04 of the By-Laws.

After discussion and upon motion duly made and seconded, the stockholders approved the following resolutions:

"RESOLVED, That Article I, Section 1.04 of the By-Laws of the Corporation be amended to read as follows:

ARTICLE I

"Section 1.04 – Principal Office and Branches - The principal office of the corporation shall be located at 12/F PNB Allied Bank Center, 6754 Ayala Avenue, Makati City. The Board of Directors, however, may establish from time to time branches, agencies and correspondents in other places as are necessary for the proper conduct of its business."

"RESOLVED FURTHER, That the President, Corporate Secretary, and other proper officers of the Corporation be, as they are hereby authorized to sign, execute, deliver, and file any and all necessary documents with the Securities and Exchange Commission and perform all acts and deeds as may be necessary or appropriate to fully implement the foregoing resolution."

X. ELECTION OF DIRECTORS

The Chairman explained that the Articles of Incorporation provides for nine (9) directors, two (2) of whom are required to be independent directors.

Ms. Moya explained that under the Corporation's By-Laws and Manual on Corporate Governance, the nomination of the Corporation's directors shall be conducted by the Nomination Committee prior to the Annual Stockholders' Meeting. All recommendations shall be signed by the nominating stockholders together with the acceptance and conformity of the nominees and shall be submitted to the Nomination Committee and the Corporate Secretary at least thirty (30) days before the date of the actual meeting.

The Nomination Committee shall then pre-screen the qualifications and prepare a Final List of all Candidates for directors. Only nominees whose names appear on the Final List of Candidates shall be eligible for election as

directors.

Ms. Moya stated that based on the Final List of Candidates for directors as determined by the Corporation's Nomination Committee, and as disclosed in the Corporation's Information Statement and upon motion duly made and seconded, the following were elected Directors of the Corporation to serve as such for the ensuing year and until the election and qualification of their successors:

1. Washington Z. Sycip
2. Harry C. Tan
3. Joseph T. Chua
4. Carmen K. Tan
5. Lucio K. Tan, Jr.
6. Jaime J. Bautista
7. George Y. Sycip

For independent directors:

1. Johnip G. Cua; and
2. Ben Tiu

XI. APPOINTMENT OF EXTERNAL AUDITOR

The Chairman then proceeded to the next item on the Agenda, which pertains to the appointment of the external auditor of the Corporation for the ensuing year.

Upon motion duly made and seconded, SGV & Co. was unanimously appointed as the external auditor of the Corporation for the ensuing year.

XII. ADJOURNMENT

There being no further business to transact, upon motion duly made and seconded, the meeting was adjourned.

CERTIFIED CORRECT:

MARIVIC T. MOYA
Corporate Secretary

ATTEST:

WASHINGTON Z. SYCIP

Chairman

ash min 071914
LTC USB3/MAC

REPUBLIC OF THE PHILIPPINES)
CITY OF MANILA) S.S.

AFFIDAVIT OF PUBLICATION

I, **PERLITA R. DE LARA**, of legal age, married, Filipino and with office address at c/o **PhilSTAR Daily, Inc.**, 202 Railroad Street corner Roberto S. Oca Street, Port Area, Manila, after being duly sworn to in accordance with law, depose and state:

That I am the **ACCOUNTING SUPERVISOR** of the **PhilSTAR Daily, Inc.** a domestic corporation duly organized and existing under by virtue of Philippine laws with office and business address at 202 Railroad Street corner Roberto S. Oca Street, Port Area, Manila.

That the said corporation publishes **THE PHILIPPINE STAR**, a daily broadsheet newspaper published in English and of general circulation.



That the order of MACROASIA CORPORATION

captioned as follows: NOTICE

(Please see attached printed text) had been published In **The Philippine STAR** in its issues of: JULY 8, 2013

FURTHER AFFIANT SAYETH NAUGHT.
Manila, Philippines

PERLITA R. DE LARA
Affiant

SUBSCRIBED AND SWORN to before me this _____ day of _____ 20 _____ affiant exhibited to me her Community Tax Certificate No. 08911795 issued at **MANILA** on January 02, 2013 .

Doc. No. 9
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Book No. 1
Series of 2013

ATTY. RICHARD L. ANOLIN
NOTARY PUBLIC
UNTIL DECEMBER 31/2013
IBP LIFETIME NO. 05179/02-12-05/M-A
PTR NO. 0314572/01-02-12/M/A
ROLL NO. 33596

PRESIDENT'S MESSAGE: 2013 REPORT

Dear Fellow Shareholders,

The 1996 vision of MacroAsia to be the best provider for aviation and support services in the Philippines comes to mind, as I recall the recent awards bestowed upon MacroAsia. These awards somehow manifest that the vision is being achieved, and that the MacroAsia service quality is at par or even better than comparable service providers all over the world.

In 2013, MacroAsia Catering Services was awarded the top award by Cathay Pacific for the Caterer's Performance Recognition Programme (CPRP) Diamond Award 2012 and Hygiene Award 2012, recognizing our subsidiary as the best among 46 caterers serving Cathay Pacific worldwide. This Award was affirmed in 2013 by the Gold Award from All Nippon Airways, and a Silver Award from Dragon Airlines.

Cebu Pacific Catering Services was also granted by Cathay Pacific a Hygiene Award for 2012 for its consistent compliance with the airline's hygiene standards.

Also, MacroAsia Airport Services Corporation was recognized by All Nippon Airways after the ANA Manila Station was ranked as number 1 for the 1st and 2nd CSI Global survey of 2012, out of ANA's 36 stations worldwide.

While the awards are testaments to our competitiveness and service excellence, we remain focused on sustaining our ability to generate shareholder value in an industry that is difficult, dynamic and challenging.

Review of 2013 Operations and Performance:

Our Group's operating revenues in 2013 came from our five subsidiaries and two affiliates.

We started 2013 with expectations for a turnaround to profitability, after our Group's consolidated loss in 2012. We were banking on the strong growth being posted by our subsidiaries. We were also hoping that LTP, our MRO affiliate, will break even or revert to profitability in 2013, as it has been pursuing its transformation to rely on foreign airline clients rather than on a major local client, and depend less on line maintenance but more on base maintenance revenues. As the year progressed, the prognosis for LTP indicated another tough year for the affiliate, as its revenue portfolio dwindled while its overhead and other costs were quite a challenge to trim.

Despite the earnings progress made by our Group, we still ended 2013 with a consolidated net loss of P160.8 million, which is a 10.6% improvement from the net loss of P179.8 million in 2012. This loss, when added with other items that make up the consolidated statements of comprehensive income, comprise a comprehensive loss of P185.8 million, compared to P246.6 million in 2012 (a 25% decline in losses).

The Parent Company, its key subsidiaries and Cebu Pacific Catering Services (CPCS), posted stronger net operating income in 2013, but such gains were negated by the higher loss attributed to Lufthansa Technik Philippines (LTP).

LTP's net loss in 2013 is P538 million compared to P326 million in 2012. LTP had higher operating expenses in 2013, most of which are related to capacity increases due to its transformation efforts, and one-time provisions for non-operating items related to insurance, taxes, foreign exchange losses, property disposal and inventory obsolescence.

In 2013, LTP gained clients for its base maintenance business, adding 3 new customers starting with Jetstar Japan and Virgin Australia - both for a series of C-checks on A330 aircraft. Lufthansa Airlines also returned to LTP for the maintenance checks of its A340 fleet. The arrival of the first aircraft in December 2013 signaled the start of the modification campaign for the airlines' A340 aircraft.

The A380 hangar that we built in 2012 for USD30 million has been quite busy. After the successful conclusion of the first cabin works and C-checks on seven A380 fleet of Qantas, Qantas also entrusted two C4 checks to LTP. This is a major step for LTP to further strengthen its capabilities in base maintenance for the A380. LTP also welcomed its latest Airbus A380 customer, Air France. Air France contracted LTP to perform C2 checks on two A380 aircrafts - the first time for Air France to work with a Lufthansa Technik facility for base maintenance.

Despite its 2013 financial results, LTP is optimistic that it will retain its leadership position in servicing the Airbus and Boeing aircraft, both of which continue to dominate the commercial airline market today.

Financial Position

Notwithstanding the net consolidated loss, our Group remains financially stable and strong, as our consolidated total assets at end of 2013 stand at P3.1 billion, while our net assets amounted to P2.6 billion.

Total cash and cash equivalents amounted to P867 million, a rise of 35% from P643 million as of December 31, 2012. In 2013, like in previous years, the parent company paid dividends to shareholders amounting to P0.065 (6 ½ centavos) per share.

Operating Outlook & Prospects

On our Infanta Nickel Project, we have received offers related to the disposition or joint operation of this mine from several parties. We have been evaluating the various options, within the context of issues beyond us, like pending permits and mining regulations. We will advise our investing public as soon as we have more developments in this area.

As for our food business, we will strengthen our presence in the non-airline food segment. We have started investing in a property in Muntinlupa, particularly a 3-storey building beside our existing lots, to serve as a commissary and site for a new catering facility for business and industry clients. We will decongest our NAIA catering facility, and we will strive to grow both airline and non-airline catering as we add more physical capacity. Our catering company has already started building its portfolio of non-airline clients, and we have acquired key reference accounts like ADB, Sodexho/Google, Solaire and others.

Ground handling opportunities also abound, like passenger lounge servicing and new service areas for ground handling, including passenger handling for Cebu Pacific's international flights in Terminal 3. We also have ongoing projects related to airport services in the pipeline, such as airport lounges, another PEZA zone and a cargo warehouse. The viability of these projects though are largely dependent on permits that are still being secured from government authorities.

We are also banking on revenues from startup projects in the resource development segment. MacroAsia Mining Corporation is offering nickel exploration and mine management services to 3rd party clients, and has so far bagged contracts for nickel exploration of some tenements of two mining companies. We also look forward to the completion by 1st quarter of 2015, of our first waterworks system project in Solano, a town in Nueva Vizcaya that serves as the commercial center of the province. This project entails treating water from the river and distributing the treated water as retail to the households in the town.

Considering the foregoing developments, we remain confident about our Group's future.

Our Debt of Gratitude

With our hard-working operational management teams, we are witness to the hard work done by our people who are passionate about our common mission and vision. We owe it to our people, our partners at work that MacroAsia has progressed this far.

I trust that the good relations with our clients, co-workers and other stakeholders will continue to be a strong foundation of our success. With your untiring support, we are confident that we can face the challenges ahead of us, and continue to build value for our stakeholders.

On behalf of the management and the operating teams, we are truly grateful for your support and inspiration as we continue to chart MacroAsia's journey to further success.

Maraming salamat po at Mabuhay tayong lahat!

Sincerely yours,

Joseph T. Chua