

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

held on 15 December 2014

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

**I. CALL TO ORDER**

The Presiding Officer, Mr. Winston S. Co, called the meeting to order at 09:10 a.m.

**II. CERTIFICATION OF NOTICE AND QUORUM**

The Corporate Secretary, Atty. Dominic V. Isberto, informed the body that, based on the certification of the Corporation's stock transfer agent, all notices of the Special Meeting had been sent to all stockholders of the Corporation as of 20 November 2014, the record date of the Special Meeting. The Corporate Secretary likewise certified that there exists a quorum for the transaction of business for the Special Meeting, there being present in person or represented by proxy, stockholders holding 13,747,021,410 shares of common stock of the Corporation representing 91.65% of the subscribed and outstanding capital stock of the Corporation.

**III. RATIFICATION OF ISSUANCE OF SHARES AND EQUITY LINKED SECURITIES TO ARRAN INVESTMENT PRIVATE LIMITED**

The Presiding Officer informed the stockholders that the Board of Directors approved a private placement transaction with Arran Investment Private Limited ("AIPL"), an affiliate of GIC Private Limited, Singapore's sovereign wealth fund, which will be taken from the unissued shares of the Company.

Mr. Joseph Sy manifested that he would like to commend the present Board of Directors and the Company for holding this stockholders' meeting during office hours at a public place, contrary to the stockholders' meeting at the time of Touch Solutions, Inc. which was held at "an unholy hour of seven in the morning at Greenhills" where he had to wake up at 5 am just to be able to attend the said meeting.

Thereafter, upon motion made and duly seconded, the stockholders ratified the following resolutions of the Board of Directors of the Corporation which was adopted last November 07, 2014:

"RESOLVED, as it is hereby RESOLVED, that the Board of Directors of the Corporation approve the issuance of common shares to Arran Investment Private Limited (the 'Investor'), which shall be issued from the unissued shares of the Corporation, as follows:

- 1) the subscription by AIPL to One Billion One Hundred Twenty Million (1,120,000,000) common shares each with a par value of One Peso (Php1.00) at a subscription price of PESOS: Twelve Billion Three Hundred Twenty Million (Php12,320,000,000.00);
- 2) the issuance to AIPL of equity linked securities in the principal amount of PESOS: Five Billion Two Hundred Eighty Million (Php5,280,000,000.00) which shall be convertible into 480,000,000 common shares each with a par value of One Peso (Php1.00);
- 3) the grant to AIPL to an investment option consisting of: (a) the option to subscribe to Two Hundred Eighty Million (280,000,000) common shares each with a par value of One Peso (Php1.00) at a subscription price of PESOS: Three Billion Eighty Million (Php3,080,000,000.00), and (b) equity linked securities in the principal amount of PESOS: One Billion Three Hundred Twenty Million (Php1,320,000,000.00) which shall be

convertible into 120,000,000 common shares each with a par value of One Peso (Php1.00); and,

- 4) up to a maximum of 2,598,416,478 common shares each with a par value of One Peso (Php1.00) corresponding to the interest payable to AIPL under the equity linked securities, at an issue price equal to the thirty (30)-trading day volume-weighted average share price (VWAP) of the Corporation's shares ending on the date that is one trading day prior to the payment of the interest to AIPL;

in connection with the investment of the Investor in the shares and equity linked securities of the Corporation; and the execution, delivery and performance of the Subscription Agreement for the shares, the Investor Rights Agreement, the Equity Linked Securities Instrument and other agreements and documents that may be necessary to implement the foregoing, under such terms and conditions as determined by its authorized representatives designated herein;

"RESOLVED, FURTHER, that any one from the Chairman, ANDREW L. TAN, the President and Director, WINSTON S. CO, or the Corporate Counsel, ANNA MICHELLE T. LLOVIDO, be authorized , on behalf of the Corporation, to: (1) negotiate, sign, enter into, execute, and deliver the Subscription Agreement for the shares, the Investor Rights Agreement, the Equity Linked Securities Instrument, and such other certifications, documents or instruments that are required or necessary under such agreements; (2) sign all notices, certifications and other filings that are required to be made with the Securities and Exchange Commission and any other agency relative to the subscription and issuance of the shares to cause the listing of the shares with the Philippine Stock Exchange; and (3) do and perform all acts and exercise all powers which may be required or desirable for the consummation of the transaction contemplated herein and in order to carry the foregoing resolutions into effect."

#### **IV. APPROVAL OF EMPLOYEE STOCK OPTION PLAN**

The Presiding Officer informed the stockholders that the Board of Directors approved an Employee Stock Option Plan for qualified employees of the Corporation and its subsidiaries that was approved last November 07, 2014.

Upon motion made and duly seconded, the stockholders ratified the following resolutions of the Board of Directors of the Corporation which was adopted last November 07, 2014:

"RESOLVED, that the Board of Directors of the Corporation approve, as it hereby approves, an Employee Stock Option Plan (the "Plan") for qualified employees of the Corporation and its subsidiaries;

"RESOLVED FURTHER, that the Plan shall have the following principal features:

- 1) Under the Plan, stock options may be granted within ten (10) years from approval by stockholders of the Corporation owning at least 2/3 of its outstanding capital stock;
- 2) The exercise price shall be at a 15% discount from the volume weighted average closing price (VWAP) of the Corporation's common shares for the nine months immediately preceding the date of grant; however, for the first batch of options to be granted, the exercise price shall be at PHP7.00/share;

- 3) The Corporation shall reserve up to 1,000,000,000 common shares representing 5% of the authorized capital stock for issuance pursuant to the Plan;
- 4) Stock options may be exercised by the grantee beginning on his 60<sup>th</sup> birthday subject to the terms and conditions of the Plan;

"RESOLVED FURTHER, that the Plan shall be administered by the Compensation and Remuneration Committee of the Board, which shall determine the eligible participants of the Plan for a particular calendar year as well as the number of shares to be covered by each option so granted, taking into consideration their position and responsibilities, nature and value of their services and accomplishments, and their present and potential contribution to the success of the Corporation, and such other factors as the Committee may deem relevant;

"RESOLVED, FINALLY, that the Plan shall be deemed adopted upon its approval by shareholders of the Corporation owning at least two-thirds (2/3) of outstanding capital stock, excluding treasury shares."

#### V. OTHER MATTERS

Mr. Joseph Sy manifested that he received a document from the Securities and Exchange Commission (SEC) regarding the issues and concerns he raised during the annual meeting last June 2014 and the complaint he filed regarding the actions of the old management under Touch Solutions, Inc. The Corporate Secretary noted the manifestation of Mr. Sy and informed him that neither he nor the Company has received a copy of the document from the SEC and that they were not aware of this matter that was mentioned by Mr. Sy. He further informed Mr. Sy that he or the Company has not received any other document regarding an update of the complaint filed with by Mr. Sy with the SEC.

Thereafter, the Corporate Secretary confirmed that there are no other matters in the agenda.

#### VI. ADJOURNMENT

The meeting was adjourned at 10:30 a.m.

CERTIFIED CORRECT:



**DOMINIC V. ISBERTO**  
Corporate Secretary