

**MINUTES OF THE MEETING  
OF THE BOARD OF DIRECTORS  
OF  
PHILPLANS FIRST, INC.**  
Held on 16 July 2021 via Zoom

**PRESENT:**

MONICO V. JACOB  
EUSEBIO H. TANCO  
JOSEPH AUGUSTIN L. TANCO  
MARTIN K. TANCO  
ESTER T. GABALDON  
PAOLO MARTIN O. BAUTISTA  
JUAN KEVIN G. BELMONTE  
JOHNIP G. CUA  
MARIA VANESSA ROSE TANCO

**ALSO PRESENT:**

YOLANDA M. BAUTISTA  
JAIME B. DIZON  
VICTOR C. TAN  
RONALD BAUTISTA  
ARSENIO C. CABRERA, JR.  
AMOR ROSELLE S. HERRERA

**ABSENT:**

RAINERIO M. BORJA  
JOSE F. BUENAVENTURA

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**I. CALL TO ORDER**

The Chairman, Mr. Joseph Augustin L. Tanco, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Arsenio C. Cabrera, Jr., recorded the minutes of the meeting.

**II. CERTIFICATION OF NOTICE AND QUORUM**

The Corporate Secretary certified that the notices of the meeting were sent to all directors. Thereafter, the Corporate Secretary conducted a roll call of the directors present.

The meeting was conducted through remote communication pursuant to Section 52 of the Revised Corporation Code of the Philippines which authorizes that directors who cannot physically attend or vote at board meetings can participate and vote through remote communication such as videoconferencing, teleconferencing, or other alternative modes of communication that allow them reasonable opportunities to participate.

All directors attended the meeting through remote communication via Zoom. The directors confirmed that they could completely and clearly hear each other. They likewise confirmed receipt of the agenda and all of the materials for the meeting.

### III. APPROVAL OF AUDITED FINANCIAL STATEMENTS

The Chief Financial Officer, Mr. Victor C. Tan, presented the highlights of the Audited Financial Statements for the period ended 31 December 2020.

Copies of the Statements of Financial Position, Statements of Income and Statements of Comprehensive Income are attached as Annex "A", "B" and "C".

As of 31 December 2020, the Corporation had total assets of [REDACTED]. Total liabilities amounted to [REDACTED]. Equity amounted to [REDACTED] broken down as follows: (a) capital stock of [REDACTED] (b) retained earnings of [REDACTED] (c) unrealized gain on financial assets at fair value through other comprehensive income of [REDACTED] and (d) rereasurement losses on defined benefit plan of [REDACTED].

Total income amounted to [REDACTED] while costs and expenses amounted to [REDACTED]. Income before income tax amounted to [REDACTED] with a provision for income tax of [REDACTED]. Net loss amounted to [REDACTED]. Other comprehensive income amounted to [REDACTED]. Total comprehensive income amounted to [REDACTED].

In response to queries from the Board, Mr. Tan confirmed that there is an excess of approximately [REDACTED] of assets over liabilities if service assets are included. If no value is given to the breach in service assets, there would still be an excess of approximately [REDACTED].

In response to queries from the Board, Mr. Tan said that the forecast for operating expenses for 2021 is approximately [REDACTED] versus [REDACTED] in operating expenses for 2020.

Management informed the Board that SGV would be issuing a clean opinion with an emphasis of matter relating to note 2 of the Audited Financial Statements. The emphasis of matter focused on the ongoing discussions between the Corporation and the Insurance Commission regarding the sufficiency of the Corporation's trust funds. In the emphasis of a matter, SGV noted uncertainty relating to the outcome of the discussion between the Corporation and the Insurance Commission which is ongoing. SGV noted that its opinion is not modified in respect of this matter. The emphasis of matter also noted that the Corporation has obtained a commitment from its shareholder to immediately provide necessary additional admissible asset contributions to the Corporation for infusion to its mandatory trust fund, if needed, upon resolution of its

dispute with the Insurance Commission. Based on this, SGV noted that the Corporation has prepared its financial statements on a going concern basis.

In response to queries from the Board, management said that Note 2 to the Audited Financial Statements also discusses the breach of the service assets and the zero value given to the breach of such services assets.

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

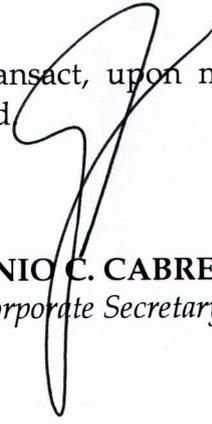
**RESOLUTION NO. 2021-BD-11**

*“RESOLVED, That the Board of Directors approve, as it hereby approves, the Parent Company Audited Financial Statements of the Corporation for the period ended 31 December 2020;*

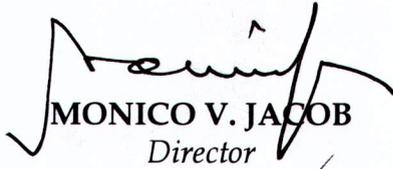
*“RESOLVED FINALLY, That the Corporation’s external auditor, SyCip Gorres Velayo & Co., be, as it is hereby, authorized to release the Parent Company Audited Financial Statements of the Corporation for the period ended 31 December 2020.”*

**IV. ADJOURNMENT**

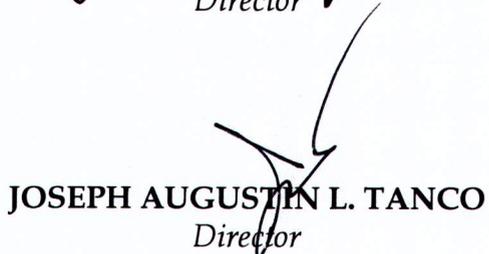
There being no further business to transact, upon motion duly made and seconded, the meeting was adjourned.

  
**ARSENIO C. CABRERA, JR.**  
Corporate Secretary

**ATTEST:**

  
**MONICO V. JACOB**  
*Director*

  
**EUSEBIO H. TANCO**  
*Director*

  
**JOSEPH AUGUSTIN L. TANCO**  
*Director*

  
**MARTIN K. TANCO**  
*Director*

  
**ESTER T. GABALDON**  
*Director*

  
**MARIA VANESSA ROSE TANCO**  
*Director*

  
**PAOLO MARTIN O. BAUTISTA**  
*Director*

  
**JUAN KEVIN G. BELMONTE**  
*Director*

**JOHNIP G. CUA**  
*Director*