

**MINUTES OF THE 2017 ANNUAL STOCKHOLDERS' MEETING OF
PEPSI-COLA PRODUCTS PHILIPPINES, INC.**

Held at Acacia Hotel Manila, Filinvest Corporate City
Alabang, Muntinlupa City
on 26 May 2017, Friday, at 10:00 a.m.
(Stockholders' Meeting No. 2017/2018-001)

<u>Stockholders Present</u>	<u>In Person/By Proxy</u>	<u>No. of Shares</u>
Lotte Chilsung Beverage Co., Ltd.	Yongsang You (By Proxy)	1,436,315,930
Quaker Global Investments B.V.	Samudra Bhattacharya (By Proxy)	923,443,071
Pepsi-Cola Far East Trade Development Co., Inc.	Samudra Bhattacharya (By Proxy)	100
Yongsang You	In Person	1
Samudra Bhattacharya	In Person	1
JaeHyuk Lee	Yongsang You (By Proxy)	1
TaeWan Kim	Yongsang You (By Proxy)	1
Byoung Tak Hur	Yongsang You (By Proxy)	1
YoungGoo Lee	Yongsang You (By Proxy)	1
Yun Gie Park	Yongsang You (By Proxy)	1
Praveen Someshwar	Samudra Bhattacharya (By Proxy)	1
Mannu Bhatia	Samudra Bhattacharya (By Proxy)	1
Oscar S. Reyes	In Person	1
Rafael M. Alunan III	Oscar S. Reyes (By Proxy)	1
Others		533,579,206
	Total shares present in person/by proxy	2,893,338,318
	Total shares issued, outstanding and entitled to vote	3,693,772,279
	Percentage of shares present in person/by proxy	78.33%

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1. CALL TO ORDER

The Chairman of the Board and Independent Director of the Corporation, Mr. Oscar S. Reyes, called the meeting to order and presided over it.

The Corporate Secretary, Atty. Ma. Rosario C.Z. Nava, recorded the minutes of the meeting.

2. CERTIFICATION OF NOTICE AND OF QUORUM

Atty. Nava certified that notices were sent to all stockholders of record of the Corporation and that stockholders owning or holding 78.33% of the total outstanding voting stock of the Corporation were present, either in person or by proxy. Thus, there was a quorum for the valid transaction of business.

**3. APPROVAL OF THE MINUTES OF THE PREVIOUS ANNUAL STOCKHOLDERS' MEETING HELD
ON 27 MAY 2016**

The Chairman then proceeded to take up the the next item in the Agenda which was the approval of the minutes of the previous Annual Stockholders' Meeting held on 27 May 2016, copies of which had been previously furnished the stockholders.

There was a motion made to approve the minutes of the previous Annual Stockholders' Meeting of the Corporation held on 27 May 2016.

The motion was duly seconded, and there being no objections, the stockholders passed and approved the following resolution:

Stockholders' Resolution No. 2017/2018-001

RESOLVED, that the minutes of the Annual Stockholders' Meeting of **PEPSI-COLA PRODUCTS PHILIPPINES, INC.** held on 27 May 2016, be, as it is hereby, approved.

4. REPORT OF THE CHAIRMAN

At this point, the Chairman called on the Corporation's Executive Director and President, Mr. Samudra Bhattacharya, who then reported the highlights of the results of operations of the Corporation for the year ended 31 December 2016.

A motion was made to note the Report of the President on the results of operations of the Corporation for the year ended 31 December 2016.

The motion was duly seconded and the Report of the President to the stockholders on the results of operations of the Corporation for the year ended 31 December 2016 was noted for the record.

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5. PRESENTATION OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

The Chairman then presented the Corporation's audited financial statements for the year ended 31 December 2016, copies of which had been previously sent to the stockholders.

A motion was made to note, accept and approve the audited financial statements of the Corporation for the year ended 31 December 2016. The motion was duly seconded, and there being no objections, the stockholders passed and approved the following resolution:

Stockholders' Resolution No. 2017/2018-002

RESOLVED, that the audited financial statements of **PEPSI-COLA PRODUCTS PHILIPPINES, INC.** for the year ended 31 December 2016, be, as it is hereby, noted, accepted and approved.

6. RATIFICATION OF ACTS OF THE BOARD OF DIRECTORS AND MANAGEMENT FOR THE PREVIOUS YEAR

The Chairman then proceeded to take up the next Agenda item which was the ratification of all acts and resolutions of the Board of Directors and all acts of the Management of the Corporation for the previous year, as well as all contracts and transactions entered into by the Corporation for the same period.

There was a motion for its ratification which was duly seconded, and there being no objections, the stockholders passed and approved the following resolution:

Stockholders' Resolution No. 2017/2018-003

RESOLVED, that all acts and resolutions of the Board of Directors and all acts of the Management of **PEPSI-COLA PRODUCTS PHILIPPINES, INC.** for 2016, as well as all contracts and transactions entered into by the Corporation for the same year, be, as they are hereby, ratified.

7. ELECTION OF DIRECTORS

The Chairman then proceeded to take up the next item in the Agenda which was the election of the members of the Board of Directors of the Corporation for the year 2017 to 2018.

The Chairman informed the stockholders that the Corporation had earlier disclosed in the Information Statement distributed to the stockholders before this meeting information on the nine (9) nominees for election to the Board of Directors for the year 2017 to 2018. These nine (9) nominees appear in the Final List of Candidates for election to the Board for the year 2017 to 2018, which was duly approved and certified by the Board's Nomination Committee.

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At this point, the Chairman requested the Corporation's Executive Director and Chief Executive Officer, Mr. Yongsang You, who is also an incumbent member of the Nomination Committee, to announce the nine (9) nominees for election to the Board of Directors for 2017 to 2018. Mr. You confirmed that the Nomination Committee has passed upon the qualifications and business experience of all nine (9) nominees for election to the Board, and that the Committee has approved and certified their inclusion in the Final List of Candidates for election to the Board for the year 2017 to 2018. He then announced the nine (9) nominees for election to the Board of Directors of the Corporation for the year 2017 to 2018 to be the following individuals:

**YONGSANG YOU
YOUNGGOO LEE
BYOUNG TAK HUR
YUN GIE PARK
PRAVEEN SOMESHWAR
MANNU BHATIA
SAMUDRA BHATTACHARYA
RAFAEL M. ALUNAN III (Independent Director)
OSCAR S. REYES (Independent Director)**

The Chairman then informed the stockholders that in accordance with the Corporation's Articles of Incorporation, the Corporation shall be electing nine (9) directors for the nine (9) Board seats.

Thereafter, there was a motion heard from the floor to have all votes cast in favor of all the nine (9) nominees and to have all the nine (9) nominees declared elected as directors of the Corporation for the year 2017 to 2018 since the number of nominees to the Board, which was nine (9), was exactly the same as the number of Board seats to be filled. This motion was duly seconded and there being no objections, the Chairman then declared the following individuals the duly elected directors of the Corporation for the year 2017 to 2018 to serve as such until their successors shall have been duly elected and qualified:

**YONGSANG YOU
YOUNGGOO LEE
BYOUNG TAK HUR
YUN GIE PARK
PRAVEEN SOMESHWAR
MANNU BHATIA
SAMUDRA BHATTACHARYA**

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**RAFAEL M. ALUNAN III (Independent Director)
OSCAR S. REYES (Independent Director)**

The Chairman congratulated the newly-elected directors of the Corporation.

8. APPOINTMENT OF EXTERNAL AUDITOR

The Chairman then proceeded to take up the next Agenda item which was the appointment of the external auditor of the Corporation for the year 2017.

At this juncture, the Chairman again requested the Executive Director and Corporation's Chief Executive Officer, Mr. You, who sits in the Board's Audit Committee, to convey the recommendation of the Audit Committee on the external auditor to be appointed for the year 2017. The Chairman disclosed to the stockholders that he is also a member of the Board's Audit Committee.

Mr. You noted that the Audit Committee has reviewed the performance over the past year of the Corporation's present external auditor, R.G. Manabat & Co., and the Committee is satisfied with their performance. Therefore, the Audit Committee has agreed to endorse their re-appointment as the Corporation's external auditor for the year 2017.

Based on the Audit Committee's endorsement, a motion was thereafter heard from the floor to re-appoint R.G. Manabat & Co. as the Corporation's external auditor for the year 2017.

The motion was duly seconded and there being no objections, the stockholders passed and approved the following resolution:

Stockholders' Resolution No. 2017/2018-004

RESOLVED, that R.G. Manabat & Co. be, as they are hereby, re-appointed as the external auditor of the Corporation for the year 2017.

9. ADJOURNMENT

The Chairman then advised the stockholders that all the items in the Agenda have been taken up. He asked the stockholders if there were any other matters that they would like to take up at the meeting.

After queries from stockholders relating to the business and some future initiatives of the Corporation had been addressed, a comment was heard from the floor that all of the items in the Agenda had been taken up and sufficiently discussed. Hence, a motion was made to

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adjourn the meeting. The motion was duly seconded and there being no objections, the meeting was adjourned.

CERTIFIED CORRECT:

MA. ROSARIO C.Z. NAVA
Corporate Secretary

ATTESTED:

Reyes
OSCAR S. REYES
Chairman