

COL FINANCIAL GROUP, INC.
Annual Stockholders' Meeting
Held at the Sapphire A Room of the Crowne Plaza Galleria Manila
30 March 2015

1. Call to Order, Proof of notice and Determination of a quorum

The Chairman of the Board called the meeting to order. The Corporate Secretary reported that the copies of the Definitive Information Statement containing the written notice of the Annual Stockholders' Meeting (ASM) of COL Financial Group, Inc. set for 30 March 2015, together with the Agenda of the Meeting, and the Audited Consolidated Financial Statement of the Company were sent to all stockholders of record as of 27 February 2015, either by mail or personal delivery at their respective addresses as shown in the books of the Corporation. The Securities and Exchange Commission (SEC) and the Philippine Stock Exchange (PSE) were also notified of the meeting and furnished with copies of the Annual Stockholders' Meeting written notice, including the agenda for said meeting. Likewise, the Transfer Agent of the Corporation, Professional Stock Transfer, Inc., was notified of the scheduled meeting. The Corporate Secretary certified that 382,875,705 common shares held by stockholders are either present in person or by unsolicited proxies equivalent to 80.68% of the Corporation's subscribed and outstanding capital stock entitled to vote. The Secretary then certified that a quorum existed for the meeting.

2. Reading and disposition of minutes of the previous meeting

The Chairman presented the minutes of the previous stockholders' meeting held last 31 March 2014. There being no comments or proposed revisions thereon, the stockholders passed and approved the following resolution:

"RESOLVED, that the minutes of the meeting of the stockholders' held on 31 March 2014 be, as it is hereby approved."

3. President's report for the year 2014

The President proceeded to give his report, a copy of which was furnished each and every stockholder. The President's Report for 2014 is attached hereto as Annex "A".

4. Ratification of all the acts, investments and resolutions of the Board of Directors for the year 2014

Upon motion made and duly seconded, all acts, contracts, investments, and resolutions of the Board of Directors and Management for the year 2014 were ratified by the stockholders.

5. Approval of the 2014 Audited Financial Statements

Upon motion made and duly seconded, the Audited Financial Statements prepared by SGV & Partners was approved by the stockholders.

6. Election of Directors for the year 2015 – 2016

The next item in the agenda was the election of Directors for the year 2015-2016. Mr. Khoo Boo Boon, chairman of the Nominations Committee, reported that the committee received nominations for and have pre-screened 11 persons as members of the Corporation's Board of Directors, Out of the 11 nominees, 2 were nominated for the positions of independent directors, namely, Mr. Khoo Boo Boon and Mr. Manuel S. Estacion. The stockholders proceeded to elect the eleven (11) members of the Board of Directors, as follows:

Mr. Edward K. Lee
Mr. Alexander C. Yu
Mr. Conrado F. Bate
Mr. Hernan G. Lim
Mr. Raymond C. Yu
Mr. Wellington C. Yu

Mr. Paulwell Han
Mr. Joel Litman
Mr. Khoo Boo Boon
Mr. Manuel S. Estacion
Ms. Catherine L. Ong

7. Appointment of External Auditor

Upon motion made and duly seconded, the stockholders re-appointed Sycip Gorres & Velayo as the Company's external auditor.

8. Other matters and Adjournment

The Chairman informed the stockholders that the Board approved the declaration of regular and special cash dividends to all stockholders of record as of 16 April 2015, Php0.10 as regular cash dividend and Php0.40 as special cash dividend or a total of Php0.50 for the year covered.

There being no other matters to take up and upon motion duly seconded, the meeting was adjourned at 4:00 P.M.

Certified correct by:


ATTY. CAESAR A. GUERZON
Corporate Secretary

Attested by:


EDWARD K. LEE
Chairman

ANNEX "A"
COL Annual Stockholders' Meeting
The President's Report 2014
30 March 2015

I. Every Filipino Deserves to be Rich

- During the past 15 years, COL provided a reliable online platform, equipped with tools to make it easier for every Filipino to invest in the stock market.
- COL conducted numerous seminars, making them available to both its clients and the public in general. This is in line with its effort to improve financial literacy among Filipinos so that they will understand why and how they should invest in the stock market.

II. Celebrating a Richer Life

- After 15 years, it is encouraging to see how COL's advocacy has come to life, and that its effort to educate Filipinos on investing has led to life-changing results.
- In 2014, COL invited all its customers to share what they think COL is for them.
- In a span of only 3 weeks, a total of 650 entries from clients shared how COL has helped them in their journey towards a Richer Life. These stories bring the greatest reward for the management team who were inspired to work harder every day and to find more ways to make it easier for Filipinos to meet their financial dreams.

III. Touching Lives of More Filipinos

- In 2014, the number of clients exceeded the 100,000 customer mark as COL grew its client base by 37% Y/Y to end the year at more than 112,000. This is no small feat considering that the number of investors in the stock market is currently less than one million!

IV. Touching Lives of More Filipinos

- While most mutual fund companies suffered from weak sales and net redemptions in 2014, the value of COL clients' equity continued to grow, increasing by 18.3% Y/Y to Php56.7 billion.
- In 2014, COL saw Php12 billion in net new flows from its clients across all segments who continued to trust COL as they invest in the stock market.

V. Gaining Share in the PSE

- Due to the continuous growth of its client base, COL performed more resiliently compared to other stockbrokers who were significantly hurt by the double digit drop in value turnover in the PSE.
- While value turnover in the PSE fell by 16.3% Y/Y, COL's value turnover fell by only 5.4% Y/Y. As a result, its market share in terms of total value turnover increased from 3.6% in 2013 to 4.1% in 2014, while the market share in terms of value turnover among local investors reached a new record high of 8.2%.
- COL rank in the PSE also increased to 8th from 9th the previous year, while it retained its rank as the number one online stock broker in terms of transaction volume.

VI. Outperforming the Market

- Despite the 16% Y/Y drop in the market's turnover, COL's commission revenues fell by only 6.9% Y/Y to Php504 million in 2014, while consolidated revenues declined by only 4.0% Y/Y to Php712 million as the growth in its asset base allowed its interest income to increase even as interest rates remained low.

- Moreover, COL continued to manage its cost. In 2014, its fixed operating expenses increased by only 5.5% Y/Y to Php234 million. As a result, despite the highly leveraged nature of the stock brokerage business, its operating profits fell by only 3.8% Y/Y on a recurring basis to Php371 million, while its core net income fell by only 3.6% Y/Y to Php293 million.
- Although net income was down by 13.6% Y/Y to Php262 million, this was largely due to the booking of a Php30 million expense which is related to the exercise of stock options and is non-recurring in nature.

VII. Financially Strong Stockbroker

- Total assets grew by 32% Y/Y to Php6.4 billion as its cash position increased by 45% to Php4.6 billion making COL financially stronger and better equipped to service the needs of Filipino investors.
- Stockholders' equity was flat at Php1.3 billion, allowing it to maintain its position as one of the highest capitalized stock brokers in the PSE, with a capital base that is significantly higher than the minimum requirement of Php100 million.

VIII. COL 2014 Key Initiatives

- As its business continues to grow, COL remain committed in putting the interest of its clients first and foremost year after year. In line with this, COL have initiated a number of initiatives to maintain its position as the market leader, and to deepen its relationship with its customers

A. Expand Client Base

First is COL's initiative to expand its client base. COL remains determined to increase financial literacy through its educational campaigns by establishing strong working relationships with various organizations, companies and universities.

At the same time, its partnership with **i-Remit Inc., the largest** non-bank Filipino-owned remittance company, has enabled COL to participate in several international roadshows to reach a wider audience of overseas Filipino to help them invest in Philippine stocks through COL's platform. COL joined i-Remit's Be FIT Forum meant to encourage Filipinos abroad to become financially intelligent and trained. This included visits to countries such as Taiwan, Australia, New Zealand and Singapore.

Leading this effort is none other than its Chairman, Mr. Edward Lee, who conducted most of these external talks with various groups and association almost every week including weekends.

In 2014, the COL's first Investor Center was opened which is located in Makati, making it more accessible to interested market participants. Attending investor seminars and opening accounts have become more convenient for clients based in the Makati CBD area and the South.

And because of all of these efforts, out of the 30,000 new customers added in 2014, 96% of these are first-time investors in the stock market.

B. Increasing Relevance

Secondly, COL enhanced its customer experience by increasing its touch-points with them. 2014 was a year of customer engagement as it put greater focus on its digital channels outside of its website, namely Twitter, Youtube & Facebook and attained over 100% growth in terms of followers across all platforms. COL have launched live tweet sessions to facilitate direct interaction with its clients to offer further guidance and support in their investments. It has also

become a platform for COL Research to spread market information and research ideas to its customers without having to log-on to its system.

COL's YouTube channel has also been updated with numerous content from its previous events and market briefings, enabling COL to reach a wider audience, even those who were unable to attend its live educational events. COL's Facebook channel has been instrumental in sharing major updates about the company's activities and developments. As of end 2014, the page has grown to a highly-engaged community of over 30,000. These platforms allowed COL to reach out to its growing customer base at a more cost-effective way while facilitating the wealth of information that has been made readily available to its clients.

Furthermore, with the growing number of smartphone users in the country, COL continues to build more infrastructure to make investing easier and more convenient. In the same year, the COL Mobile App on Apple iOS was launched, which provides clients quick access to its trading platform, allowing them to invest anytime, anywhere.

Lastly, for the first time, COL brought together leaders of the SM Group to personally discuss the strengths and opportunities available for the various SM listed companies to COL clients based in key cities in the country namely, Manila, Cebu and Davao. The event was made possible through a partnership with SM Investment Corporation who provided the venue to host these events.

C. Long-Term Client Relationship

In its 15 year history, COL have consistently focused on providing great value to its customers, in line with its goal of building lasting long-term relationships, which entails among others, offering consistent quality service.

To address the increase in the volume of orders and demand for market information, several upgrades were undertaken to maintain and enhance the performance of its trading platform. The capacity of its web servers were increased by 60% to handle the existing and new users of the site, while its bandwidth was increased by 40% compared to the previous year. The capacity of its order servers was also increased by 25% while that of its market data servers was increased by 50%. COL's existing equipment was upgraded with the latest technology to further improve efficiency and intensify overall security with newly acquired firewall hardware.

In 2014, the average number of unique users of COL's website grew by over 50% to 30,000, while the highest number of log-ins hit 40,000 in November. Despite this massive growth of users, COL is proud to say that its platform was able to achieve a 99.7% reliability.

D. COL Fund Source (Screen of COL Fund Source)

As COL builds its long-term relationship with its customers, it is excited to roll out the first fund supermarket in the Philippines, its mutual fund distribution serviced named "COL Fund Source". Very soon, COL clients can access various professionally managed funds, including money market funds, bond funds, balanced funds, and equity funds, through the COL website. As of today, a total of six mutual fund companies which together account for 92.1% of the assets under management of the mutual fund industry have agreed to make their funds available in the COL website.

Not only that, COL will also provide tools that will allow investors to compare the various available funds while having access to independent research on each fund. This puts them in a better position to pick and choose funds that will best suit their needs.

E. Filipino clients

Despite the very rewarding first fifteen years of COL's history, it will not stop finding ways to make it easier for more Filipinos to invest.