

COL FINANCIAL GROUP, INC.
Annual Stockholders' Meeting
Held at the Sapphire A Room of the Crowne Plaza Galleria Manila
31 March 2016

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 31 March 2016, 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 29 February 2016, 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 385,559,632 common shares held by stockholders are either present in person or by unsolicited proxies equivalent to 81.17.% 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 30 March 2015. 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 30 March 2015 be, as it is hereby approved."

3. President's report for the year 2015

The President proceeded to give his report, a copy of which was furnished each and every stockholder. The President's Report for 2015 is attached hereto as Annex "A".

4. Ratification of all the acts, investments and resolutions of the Board of Directors for the year 2015

Upon motion made and duly seconded, all acts, contracts, investments, and resolutions of the Board of Directors and Management for the year 2015 were ratified by the stockholders.

5. Approval of the 2015 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 2016 – 2017

The next item in the agenda was the election of Directors for the year 2016-2017. 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 15 April 2016, Php0.11 as regular cash dividend and Php0.39 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 2:25 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 2015
31 March 2016

I. A Challenging Path

The year 2015 can be described as one of the local stock market's most volatile periods in recent history. After the PSEi rose to a record high of 8,136—up over 12% in the first 4-months of the year—it retreated back down by the end of the year to negative territory, down almost 4%.

Despite the tough market environment, COL's commitment to serve its customers continued to pay off and remained to be its major growth driver. The effective execution of this strategy helped COL succeed throughout 2015 during what was generally a difficult investing environment.

II. Key Measures

A key measure of COL's success is the willingness of new and existing clients to entrust their hard-earned assets with COL.

- **Key Measures: Net New Assets**

Last year, COL attracted Php5.8 billion in net new assets, up 28% Y/Y.

- **Key Measures: Total Client Assets & CAGR**

Total asset base of COL's retail clients at year-end as Php46.9 billion, up Php3.7 billion or 8.5% Y/Y, resulting in a 3-year compounded annual growth rate of 22.4%.

- **Key Measures: New Accounts Opened**

Another indicator of COL's success is the consistent growth in our number of new individual customers. In 2015, COL experienced a record number of new accounts opened which totaled around 50,000, up 63% from 2014...

- **Key Measures: Total Customer Accounts**

Total customer accounts rose 44% to 162,330. This is definitely an achievement that COL is very proud of and is a testimony to COL's efforts in making its clients its priority, which has contributed to maintaining their trust and COL's reputation for championing their ability to choose a better tomorrow.

III. Financial Highlights cover page

Last year was an extraordinarily-challenging year across the financial service industry, and COL was not immune to it. The internal and external headwinds—coming from China's growth concerns, depreciating currencies, lackluster corporate earnings and high valuations—were just one of the many contributing factors in a demanding year.

- **Financial Highlights - Net Revenues**

Nevertheless, COL's net revenues for the period managed to increase by 1.8% Y/Y at Php737 million as COL's growth in interest income was able to offset a drop in commission revenues.

- **Financial Highlights - Net Income**

Net income was also relatively flat at Php263 million. Aside from the strong growth of COL's interest income, the limited increase in the company's expenses helped keep profits flat.

- **Financial Highlights - Expenses**

Total operating expenses increased by only 1.3% Y/Y to Php375 million as trading related costs fell by 0.9% Y/Y while growth in fixed costs, including personnel and professional fees, was kept at only 7.1%.

- **Balance Sheet - Total Assets**

COL's balance sheet also remained strong as it continued to support its growth initiatives. Total assets grew by 25% Y/Y to Php8.0 billion as its cash position surged forward by 40.8%, to Php6.7 billion from Php4.8 billion the previous year, making COL better-equipped to serve the needs of its customers.

- **Balance Sheet - Stockholders' Equity**

Meanwhile, COL's stockholders' equity remained solid at Php1.3 billion, allowing it to maintain its position as one of the highest capitalized stock broker in the PSE.

- **Balance Sheet - ROAE**

Finally, despite the challenging operating environment, COL was able to generate a very healthy return on average equity of 20.3%, the same level in 2014.

IV. **Operating Highlights cover photo**

- **Unique Users, Log-ins, System Reliability**

In 2015, COL's systems handled an average of over 40,000 unique users daily, an increase of 35% compared to our average in 2014. At one point in August, COL experienced 52,000 log-ins in a single day. Despite the significant increase in log-ins, COL was able to maintain a 99.6% system reliability.

- **Value Turnover – PH & HK**

COL's 2015 trading volume experienced a slowdown both in the Philippines and Hong Kong by 3% and 13% respectively, as the bearish sentiment prevailed globally.

- **Margin Loans**

Furthermore, the average take-up of margin loans contracted by 20% from an average of over Php1.2 billion in 2014 to just Php971 million.

- **Market Share**

Overall, although COL's market share in terms of value turnover experienced a decline from 4.1% in 2014 to 3.9% in 2015,

- **Rankings – PSE and Volume of Trades**

COL still managed to retain its PSE ranking as the eight largest stock broker in terms of value turnover and number one in terms of volume of trades executed.

Nevertheless, the loss in market share was largely due to the growing share of foreign fund flows during the fourth quarter of 2015 to 54% from 47% in 2014. However, despite the slowdown in client activity, 75% of COL's customers continued to trade at least once a year. And ever more encouraging, its customers chose to keep their money in their COL accounts as they waited for better opportunities to get back into the market. As of end-December, the cash balances of its customers remained at over Php6 billion.

V. COL Fund Source Cover page

2015 will be a significant chapter in COL's corporate history. As part of its commitment to offer more value and a better investing experience, COL launched the country's first and only online fund supermarket called COL Fund Source.

- **Benefits of COL Fund Source**

COL Fund Source offers investors online access to a wide variety of professionally managed funds from the top investment houses in the country. This, we believe, will not only revolutionize the way investors invest in mutual funds, but will also help us cater to the needs of more Filipinos, whether to help them expand, diversify or build their investment portfolio.

This product was also designed to expand its customer reach and relationship with existing customers. COL Fund Source has made investing more accessible for people who may not have the time to actively manage their investments and those who are looking to expand or diversify their portfolios to even other types of assets.

- **Available Fund Types**

The new service also provides the necessary tools and resources to allow investors to evaluate and choose among equity funds, equity index funds, balanced funds, bond funds and money market funds. In other words, investors now have more investment products to choose from that can best suit their various investment objectives.

- **COL Fund Source Performance**

Although it was only launched in July 2015, COL Fund Source was already able to attract 7,526 investors, closing the year with Php500 million in total assets under administration. Average net sales per day reached Php3.3 million. In the second half of the year, we accounted for 9.3% of the total net sales of peso denominated equity funds of the whole mutual fund industry, reaching a high of 31.8% in September 2015.

VI. Moving Forward in Blue

These encouraging results imply the growing trust of its customers as they see COL more than just their online stock broker but also their wealth-building partner.

- **Moving Forward Colored**

In 2016, COL continues to see challenging times as the global markets stay interconnected. Although the Philippines is fundamentally much stronger compared to other economies globally, Philippine market is still vulnerable to a contagion.

- **Moving Forward Colored in 2016**

COL is well-positioned to benefit from organic growth. Its initiatives to diversify revenue streams will also provide a degree of stability and continuous growth. COL will maintain its disciplined approach in expenses while it provides cost-effective services and innovative tools and products, to accommodate the growing investment needs of its customers.

VII. Choosing a better tomorrow closing slide

COL's strategy remains consistent. COL's customer-focused approach will still be the cornerstone of its business, which is to build a deeper partnership with its customers by offering them a more meaningful and financial rewarding investing experience as COL helps them choose a better tomorrow.