

SEC FORM 20-ISINFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:
 Preliminary Information Statement
 Definitive Information Statement
2. Name of Registrant as specified in its **VITARICH CORPORATION**
3. **Bulacan, Philippines**
Province, country or other jurisdiction of incorporation or organization
4. SEC Identification Number **21134**
5. BIR Tax Identification Code **000-234-398-000**
6. **Marilao-San Jose Road, Sta. Rosa I, Marilao, Bulacan 3019**
Address of principal office Postal Code
7. Registrant's telephone number, including area code **(632) 843-3033** **3019**
8. Date, time and place of the meeting of security holders
- Date: Friday, June 28, 2019**
Time: 2:00 p.m.
Place: 2nd Floor Precisione Bldg. Vitarich Compound, Marilao-San Jose Road, Sta. Rosa I, Marilao, Bulacan
9. Approximate date on which the Information Statement is first to be sent or given to security holders: **June 04, 2019**
10. **In case of Proxy Solicitations:**
- | | |
|--|---|
| <u>Name of Person Filing the Statement/Solicitor:</u> | <u>Management of the Corporation</u> |
| <u>Address and Telephone No.:</u> | <u>843 3033 local 131</u> |
11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants)
- | Title of Each Class | Number of Shares of Common Stock Outstanding or
Amount of Debt Outstanding |
|----------------------------|---|
| <u>Common Stock</u> | <u>3,054,334,014 shares</u> |
12. Are any or all of registrant's securities listed on a Stock Exchange?
Yes No
- If yes, disclose the name of such Stock Exchange and the class of securities listed therein:
Philippine Stock Exchange



TO ALL STOCKHOLDERS:

NOTICE IS HEREBY GIVEN that the Annual Meeting of the Stockholders of VITARICH CORPORATION (the "Corporation") will be held on Friday, 28 June 2019, 2:00 P.M. at 2nd Floor Precisione Bldg. Vitarich Compound Marilao-San Jose Road, Sta. Rosa I, Marilao, Bulacan.

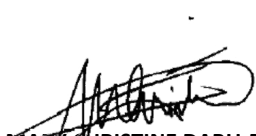
The Agenda for the meeting is as follows:

1. Call to order;
2. Certification of notice to the stockholders and the presence of a quorum to do business;
3. Approval of the minutes of the previous annual meeting;
4. Report of the President on the operations and financial statements of the Corporations;
5. Confirmation and ratification of the acts of the Board of Directors and officers;
6. Election of directors;
7. Appointment of the external auditor;
8. Appointment of the stock and transfer agent;
9. Other matters; and
10. Adjournment

For the purpose of determining the stockholders entitled to notice of, and to vote at the meeting, the record date is May 28, 2019.

Proxies must be submitted to the Special Committee of Election Inspectors of the Corporation at the executive office of the Corporation located at Marilao-San Jose Road, Sta. Rosa I, Marilao, Bulacan on or before June 17, 2019. Proxies shall be validated by the Special Committee of Inspectors at the said office of the Corporation on June 21, 2019.

On the day of the meeting, you or your duly designated proxy are hereby required to bring this Notice and any form of identification such as driver's license, passport, company I.D., voter's I.D., or TIN Card to facilitate registration. Registration shall start at 1:00 p.m. and will close at 1:45 p.m.


ATTY. MARY CHRISTINE DABU-PEPITO
Asst. Corporate Secretary/Compliance Officer/
Corporate Information Officer

PART I.

A. GENERAL INFORMATION

Item 1. Date, time, and place of meeting of security holders.

- (a) The Annual Meeting of the Stockholders of VITARICH CORPORATION (the "Corporation") will be held on Friday, 28 June 2019 at 2:00 P.M. at the 2nd Floor Precisione Bldg. Vitarich Compound Marilao-San Jose Road, Sta. Rosa I, Marilao, Bulacan.
- (b) This Information Statement and the accompanying Proxy Form shall be sent or given to security holders on Tuesday, 04 June 2019. Complete mailing address of the principal office of Vitarich Corporation: Marilao-San Jose Road, Sta. Rosa I, Marilao, Bulacan

Item 2. Dissenter's Right of Appraisal

There is no matter to be taken up during the annual stockholders' meeting that may give rise to the exercise by any dissenting stockholder of the right of appraisal. Any stockholder of the Corporation may exercise his right of appraisal against any proposed corporate action that qualifies as an instance under Section 81 of the Corporation Code and which gives rise to the exercise of such appraisal right pursuant to and in the manner provided under Section 82 of the Corporation Code. Sections 81 and 82 of the Corporation Code provide as follows:

"SECTION 81. *Instances of Appraisal Right.* — Any stockholder of a corporation shall have the right to dissent and demand payment of the fair value of his shares in the following instances:

1. In case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
2. In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Code; and
3. In case of merger or consolidation."

"SECTION 82. *How Right is Exercised.* — The appraisal right may be exercised by any stockholder who shall have voted against the proposed corporate action, by making a written demand on the corporation within thirty (30) days after the date on which the vote was taken for payment of the fair value of his shares: *Provided*, That failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented or affected, the corporation shall pay to such stockholder, upon surrender of the certificate(s) of stock representing his shares, the fair value thereof as of the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If within a period of sixty (60) days from the date the corporate action was approved by the stockholders, the withdrawing stockholder and the corporation cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the stockholder, another by the corporation and the third by the two thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the corporation within thirty (30) days after such award is made: *Provided*, That no payment shall be made to any dissenting stockholder unless the corporation has unrestricted retained earnings in its books to cover such payment: and *Provided*, further, That upon payment by the corporation of the agreed or awarded price, the stockholder shall forthwith transfer his shares to the corporation."

Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

No director, officer, or nominee for director or officer of the Corporation and, to the best knowledge of the Corporation, no associate of said director, officer or nominee for director or officer of the Corporation has any substantial interest, direct or indirect, by security holdings or otherwise, in any of the corporate actions to be acted upon at the annual meeting of the stockholders. None of the directors of the Corporation has informed the Corporation of his intention to oppose any of the corporate actions to be acted upon at the annual meeting of the stockholders.

B. CONTROL AND COMPENSATION INFORMATION**Item 4: Voting Securities and Principal Holders Thereof**

- (a) *Number of Shares Outstanding.* The Corporation's capital stock is composed of common shares, which are voting shares. The number of shares outstanding is 3,054,334,014 with each share entitled to one (1) vote.

The Corporation's Filipino-Foreign equity ownership as of April 30, 2019 is as follows:

	<u>No. Of Shares</u>	<u>% Ownership</u>
Shares owned by Filipino	2,840,058,572	93%
Shares owned by Foreigners	214,275,442	7%
Total	3,054,334,014	100.00%

- (b) *Record Date.* The record date, with respect to this solicitation, is May 28, 2019. Only stockholders of record as at the close of business on May 28, 2019 are entitled to notice and vote at the meeting.
- (c) *Cumulative Voting Rights.* At the election of directors, each stockholder may vote the shares registered in his name, either in person or by proxy, for as many persons as there are directors, or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principles among as many candidates as he shall see fit: provided that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the whole number of directors to be elected.

Security Ownership of Certain Record and Beneficial Owners. Owners of record of more than 5% of the Corporation's voting securities as of March 31, 2019 are as follows:

Title of Class	Name, Address of Record Owner & Relationship with Issuer	Name of Beneficial Owner & Relationship W/ Record Owner	Citizenship	No. Of Shares	Percent of Class
Common Shares	PCD NOMINEE CORPORATION (Filipino) 37/F The Enterprise Center, Ayala Avenue Corner Makati Avenue, Makati City	Various beneficial owners	Filipino	2,818,490,074	92.28%
	Beneficial owner of more than 5% of the outstanding shares. KORMASINC, INC. 7 th Floor, LTA Bldg., 118 Perea St., Legazpi Village, Makati City	Various beneficial owners	Filipino Corporation	2,178,358,604	71.32%
Common Shares	PCD NOMINEE CORPORATION (Non-Filipino) G/F Makati Stock Exchange Building, 6767 Ayala Avenue, Makati City	Various beneficial owners	Non-Filipino	215,521,942	7.06%
	Beneficial owner of more than 5% of the outstanding shares.				

Security of Ownership of Management. The number of common shares beneficially owned by directors and executive officers as of March 31, 2018 is as follows:

TITLE OF CLASS	NAME OF BENEFICIAL OWNER	AMOUNT & NATURE OF BENEFICIAL OWNERSHIP	CITIZENSHIP	PERCENT OF CLASS
Common	Jose Vicente C. Bengzon III	10,000	Filipino	0.00%
Common	Rogelio M. Sarmiento	6,386,320	Filipino	0.21%
Common	Benjamin I. Sarmiento Jr.	199	Filipino	0.00%
Common	Ricardo Manuel M. Sarmiento	56,784,990	Filipino	1.86%
Common	Stephanie Nicole S. Garcia	104,359	Filipino	0.00%
Common	Lorenzo Vito M. Sarmiento III	500	Filipino	0.00%
Common	Jose M. Sarmiento	1,305,320	Filipino	0.04%
Common	Levi F. Diestro	300	Filipino	0.00%
Common	Vicente J.A. Sarza	1	Filipino	0.00%
Common	Manuel D. Escueta	1	Filipino	0.00%
Common	Juan Arturo Iluminado C. de Castro	882,034	Filipino	0.03%
Common	Tadeo F. Hilado	1,000	Filipino	0.00%
Common	Reynaldo D. Ortega	275,974	Filipino	0.01%
Common	Mary Christine Dabu-Pepito	0	Filipino	0.00%
Common	Alicia G. Danque	0	Filipino	0.00%

Voting Trust Holders of 5% or more. The Corporation is not aware of any person holding more than 5% of the common shares of the Corporation under a voting trust or similar agreement as there has been no voting trust agreement which has been filed with the Corporation and the Securities and Exchange Commission, as required under the Corporation Code.

- (e.) *Description of any arrangement, which may result in a change in control of the Corporation.*
There are no arrangements that will affect or change the ownerships.

Item 5. Directors and Executive Officers

The directors of the Corporation are elected at the annual meeting of the stockholders of the Corporation to hold office until the next succeeding annual meeting of the stockholders and until the respective successors have been elected and qualified.

Officers are elected by the newly elected Board of Directors at the first meeting. The Board also elects during its first meeting the chairman and members of the Audit, Compensation & Nomination, and Risk & Governance Committees. There are two (2) independent directors, one of whom is the Chairman of the Audit Committee and the other heads the Compensation & Nomination and the Risk & Governance Committees. Officers of the Corporation shall be subject to removal at any time by the Board of Directors, but all officers, unless removed, shall hold office until their successors are appointed. If any vacancy shall occur among the officers of the Corporation, such vacancy shall be filled by the Board of Directors.

None of the members of the Board of Directors, executive officers and nominees of the Corporation are involved in any criminal, bankruptcy, or insolvency investigation or proceeding for the past five (5) years.

Involvement of Members of the Board of Directors, etc. in Certain Legal Proceedings. The registrant has no knowledge of any event during the past five (5) years up to the latest filing date in which any of its director or executive officer, or any nominee is being involved in any criminal or bankruptcy proceedings or subject of any order or judgment of any court or quasi-judicial agency, whether local or foreign effecting his involvement in business, securities, commodities or banking activities.

Nominees. The nominees for the members of the Board of Directors and Executive Officers for the ensuing year as of the date of sending the Definitive Information Statement to security holders on 04 June 2019 are the following:

Regular Directors:

1. Mr. Jose Vicente C. Bengzon III;
2. Mr. Rogelio M. Sarmiento;
3. Mr. Ricardo Manuel M. Sarmiento;
4. Ms. Stephanie Nicole S. Garcia;
5. Mr. Jose M. Sarmiento;
6. Mr. Benjamin I. Sarmiento Jr.;
7. Mr. Lorenzo Vito M. Sarmiento, III;
8. Mr. Levi F. Diestro;
9. Atty. Juan Arturo Iluminado C. de Castro

Independent Directors

10. Mr. Vicente J.A Sarza;
11. Mr. Manuel D. Escueta

The independent directors were pre-screened by the Nomination and Compensation Committee of the Corporation under the procedures laid down in the Corporation's By-Laws and its Manual on Corporate Governance. They possess all the qualifications and none of the disqualifications of being an independent director, pursuant to SRC Rule 38 of the Rules Implementing the Securities Regulations Code.

In approving their nomination, the members of the Nomination Committee had observed the guidelines prescribed in SEC Circular No. 16, Series of 2002 (or the Guidelines on the Nomination and Election of Independent Directors), the Corporation's By-Laws and its Manual on Corporate Governance.

Officers:

Ricardo Manuel M. Sarmiento	- Chief Executive Officer/President
Stephanie Nicole S. Garcia	- EVP, Corporate Management Services Director and Treasurer
Rey D. Ortega	- Senior Vice President and General Manager, Poultry and Foods Division
Rhuel S. Diego	- Vice President, Commercial Feeds Business Manager
Eugene B. Bayta Jr.	- Vice President, National Poultry Processing Manager
Atty. Aison Benedict C. Velasco	- Corporate Secretary
Atty. Mary Christine Dabu-Pepito	- Asst. Corporate Secretary/Compliance Officer/Corporate Information Officer
Alicia G. Danque	- Alternate Corporate Information Officer

All nominees for directors and executive officers are Filipino citizens.

Following is a brief profile of the Corporation's Directors and Officers for the year 2018-2019.

**Jose Vicente C. Bengzon III, Filipino, 61 years old
Director/Chairman of the Board**

Mr. Bengzon is an Independent Director of Bermaz Auto Phil's Inc. since 2017, Director & Chairman of Audit Committee of Century Peak Mining Corp since 2016; the Vice Chairman & Chairman of Executive Committee, Commtrend Construction Corp since Oct 2014; President of UPCC Holdings Corp since 2006 & Director & Chairman of Risk Management Committee, Rizal Microbank since 2010. He was acting Chairman, Philippine National Construction Corp. 2012 - 2013; Director, Manila North Tollways Corp. 2012 - 2013; Director, Citra Metro Manila Tollways Corp. 2012 - 2013; Director, South Luzon Tollways Corp. 2011 - 2012. Prior to this, he is a Director of Pres. Jose P. Laurel Rural Bank Inc. since 2010 and Philippine National Construction Corporation since 2011. He is also the President of UPCC Holdings Corporation since 2006. Prior to this, he was the Chief Privatization Officer of the Department of Finance. He was the President of Abarti Artworks Corporation from 2001-2004. He was also an Entrepreneur of Westborough Food Corporation from 1993-2001. He is a Certified Public Accountant and a graduate of De La Salle University having obtained his Bachelor of Science in Commerce and Bachelor of Arts degrees major in Economics in 1980 therefrom. He took his Master of Business Administration at the Kellogg School of Management at Northwestern University in 1988.

**Ricardo Manuel M. Sarmiento, Filipino, 42 years old
Director/President & Chief Executive Officer**

Mr. Ricardo Manuel Sarmiento is presently the President and Chief Executive Officer of Vitarich Corporation. He leads the over-all operations of Vitarich Corporation. He holds a degree in Bachelor of Science in Tourism from the University of the Philippines in Diliman, Quezon City. He is a member of the Upsilon Sigma Phi. Mr. Sarmiento joined Vitarich in July 2005.

Stephanie Nicole M. Sarmiento-Garcia, Filipino, 39 years old

Director/Executive Vice-President, Corporate Management Services Director and Treasurer

Ms. Garcia is the EVP, Corporate Management Services Director and Treasurer of the Company. As such, she is in charge of the funds, assets, securities, receipts and disbursements of the Corporation. She oversees efficient operations, allocates funds and negotiates contracts and prices as well. Prior to Vitarich, Ms. Garcia worked as a Store Manager at *Le Pain Quotidien*, an international chain of café-style restaurants, specializing in bakery items. Early on, she held a front desk position at the *Ritz Carlton Hotel* in San Francisco. She holds a degree in International Hospitality Management from Glion Institute of Higher Education (formerly known as Glion Hotels School), a private, university-level Swiss hotel management school in Switzerland. Ms. Garcia joined Vitarich in October 2003.

Rogelio M. Sarmiento, Filipino, 70 years old

Director

Mr. Sarmiento was the President of L. S. Sarmiento & Co., Inc., Sarmiento Industries, Inc., Fortuna Mariculture Corporation, and Sarphil Corporation from 1968 to 1981. He obtained his Bachelor of Science in Business Administration degree from the University of San Francisco and his Master of Business Administration degree from the University of Sta. Clara in the United States of America. He was President of the Philippine Association of Feed Millers Inc. from 1990-1992 and Vice-President of the Philippine Chamber of Commerce from 1988 to 1989. Formerly a member of the Interim Batasang Pambansa, he concurrently served as Minister of State for Transportation and Communications. He also served as Deputy Director General of the National Economic and Development Authority. He was a member of the House of Representatives representing the First District of the Province of Davao del Norte from 1992 to 2001.

Benjamin I. Sarmiento Jr., Filipino, 50 years old

Director

Mr. Benjamin Sarmiento is a graduate of the University of San Francisco with a degree of Bachelor of Arts in Economics. He is the Chief Executive Officer of Pacific Equity, Inc. from 1989 up to the present. He is also a Director of the following companies: M3 Ventures, International Inc. from 1991 up to the present, and Ultra-Seer, Inc., Hillsdale Marketing Inc., Specialized Products & Services, Inc., Escotek, Inc. and Diversified Industrial Technology, Inc. from 2002 up to the present. He is the Chief Executive Officer of Sarmiento Pacific Agribusiness.

Lorenzo Vito M. Sarmiento III, Filipino, 44 years old

Director

Mr. Sarmiento is President of Davito Holdings Corporation. He is Co-founder and Chief Operating Officer of Advanced Environmental Soil Solutions, Inc. He was President of Medityre, President of Speed Space Systems, Chairman of Emphasys Process Corporation, Investor and co-founder at South Super Sports, Team Manager under contract with the Philippine Football Federation, Creative Director of Speed HKG. He graduated in 1999 from the University of San Francisco, San Francisco CA USA, with a degree in Bachelor of Science in Business Administration with emphasis in Marketing and International Business. He took up special courses in International Studies at the Richmond College in London, England and Network Engineering at Herald College, San Francisco CA USA. He was elected as director of the Corporation on June 29, 2012.

Manuel D. Escueta, Filipino, 68 years old

Independent Director

Mr. Escueta was elected as an Independent Director of the Corporation on January 24, 2014. He worked as General Advertising Manager of P&G Asia (1973-2000), Vice President for Corporate Marketing & Communication of United Laboratories, Inc. (2001-2004), Head, President and CEO of Pascual Laboratories, Inc. - Consumer Health Division (2005-2012), and Chairman of Pascual Consumer HealthCare Corp (2012-2013). He is at present the President of Educhild Foundation, Inc. and the Vice-Chairman of the Board of Trustees of Southridge PAREF School for Boys. He also served as a Board of Director of the Advertising Board of the Philippines (1980-1985, 1992-1995). He is a graduate of University of the Philippines in Diliman, Quezon City with a degree on Business Administration Major in Marketing in 1972.

Levi F. Diestro, Filipino, 61 years old

Director

Mr. Diestro is an International Human Resources Manager and currently the Vice President Human Resources and Administrative Department of Quick Reliable Courier Services Inc. a logistics company. At present, he is also the Treasurer of Asian Institute of Human Resources, PMAP (People Management Association of the Philippines) He worked at Maynilad Water Services Inc., a subsidiary of MVP Group of Companies as Vice President Human Resources, Division from 2011 to 2016. He was a Consultant of the Bureau of Customs, Department of Finance in 2011. He also became the Corporate HR Director of Lina Group of Companies in 2008 to 2010. He served as a Country HR Manager (Philippine Site) of intel, Numonyx Philippines, Inc., HR manager of DHL Exel Supply Chain, HR-Employee Relations and Services Manager of Analog Devices, Inc., HR-Senior Division Manager of Integrated Microelectronics, Inc., and HR Department Manager of Philippine Auto Components, Inc. - Denso Corp. Japan. He is a graduate of Colegio de San Juan de Letran, with a degree on BS Psychology in 1980, MBA units. He was elected as director of the Corporation on July 04, 2014.

Atty. Juan Arturo Iluminado C. de Castro, Filipino, 38 years old

Director

Dr. Juan Arturo Iluminado C. de Castro (or "Johnny") is a practicing lawyer with a Bachelor of Laws degree from the University of the Philippines (UP) College of Law, and is the first Filipino to obtain both a Doctorate in the Science of Law (J.S.D.) and a Master of Laws (LL.M.) degree at the University of California (UC) Berkeley School of Law (Boalt Hall) in the United States of America (USA) in 2011. He authored the book on Philippine Energy Law (2012), which provides guidance for investing in the country's electric power industry. Dr. De Castro has extensive experience in corporate rehabilitation or Chapter 11 Bankruptcy in the Philippines as managing partner of the De Castro & Cagampang-De Castro Law Firm, a boutique law firm in Makati. Their law practice includes civil and criminal litigation before various courts, appellate practice, real estate transactions, and cases before the Sandiganbayan, among others. He is currently

also an Assistant Professorial Lecturer at the De La Salle University College of Law.

Vicente J.A Sarza, Filipino, 66 years old
Independent Director

Vicente Sarza is a Director and Chief Operating Officer at Mabuhay Capital. Prior to joining Mabuhay Capital, Mr. Sarza was Senior Vice President, head of institutional banking at Asia United Bank (AUB), a publicly listed company, which operates as a universal bank. Before moving to AUB, Mr. Sarza was a Principal, Head of Advisory Services in KPMG Philippines. He was responsible for the significant expansion of market share and significant increase in recognition of KPMG Advisory as an advisory services firm in key industries such as financial institutions, energy, water, infrastructure, insurance and in government and the multilateral institutions. Over the years, Mr. Sarza's extensive experience includes successful engagements as Director to Chief Privatization Officer, rank of Undersecretary in the Privatization and Management Office (An Agency of the Department of Finance). Mr. Sarza was also a Director and Chairman of the Technical Committee Privatization Office and Special Concerns for Department of Finance (Republic of the Philippines). Mr. Sarza had various roles in the successful privatization of Maynilad, International School, Philippine Telecommunications Investment Corp., Energy Development Corp., and Iloilo Airport. Mr. Sarza spent more than 25 years in banking, his stints spanning corporate, middle market, and consumer banking with added responsibilities in his last 8 years through involvement in senior functions such as Mancom, Asset and Liabilities Management and Credit Committee duties, among others. Prior to Department of Finance, Mr. Sarza spent a total of 14 years in United Coconut Planters Bank (UCPB) and UCPB Savings Banks as Manager of First Vice President-Head of the Commercial Credit Division and President and COO, respectively. Mr. Sarza holds a A.B. Economics from the Ateneo De Manila University.

Jose M. Sarmiento, Filipino, 63 years old
Director

Mr. Jose Sarmiento is a graduate of Araneta University with a degree of Bachelor of Science in Agriculture. He served as a Board of Director of the Sarmiento Management Corporation, Luz Farms, Inc., Metro Manila Retreaders Inc. and Vitarich Corporation. He was re-elected as director of the Corporation in November 2016 until present.

Other Executive Officers

Reynaldo D. Ortega, Filipino, 49 years old
Senior Vice President and General Manager, Poultry and Foods Division

Dr. Ortega is a Doctor of Veterinary Science and Medicine and obtained his degree from the Central Luzon State University, Munoz, Nueva Ecija in 1992. He started as Production Supervisor in Purefoods Corporation in Sto. Tomas, Batangas and was later assigned as Veterinary Supervisor at Purefood's JMT office in Ortigas, Pasig. He joined Vitarich Corporation in 1994 as Extension Veterinarian and, since then, handled various positions as Veterinary Services Group Head, Contract Growing Operations Head, Technical Head, Poultry and Livestock Division Head, until his appointment as Vice President and General Manager-Poultry and Foods Division in January 2017. His training includes Poultry Tunnel Ventilation System, Poultry Management in Cage System, Immunology and Virology, and Artificial Insemination in Broiler Breeder. He attended various symposiums about Poultry production, processing and marketing in USA, Europe and Asia.

Rhuel S. Diego, Filipino, 50 years old
Vice President, Commercial Feeds Business Manager

Mr. Rhuel S. Diego was appointed as Vice President, Commercial Feeds Business Manager last January 9, 2019. He is a graduate of University of Santo Tomas with a degree of Bachelor of Science in Medical Technology. He worked in Wyeth Phils. Inc. as Distribution Development Manager from 1995-2004. He was the District Manager at Wrigley Philippines Incorporated from 2004-2007 and District Manager in 2008. He has extensive professional training in the areas of Sales, Marketing, and Distributor Management, Distribution Trends and Development, Key Accounts Management, Category Management, Public Speaking and Presentation, Systematic Selling Procedures, Business Analysis, Leadership and Coaching, and People Development.

Eugene B. Bayta Jr. Filipino, 55 years old
Vice President, National Poultry Processing Manager

Engr. Eugene Bayta was appointed as Vice President, National Poultry Processing Manager last January 9, 2019. He earned his bachelor's degree in Agricultural Engineering at the University of the Philippines at Los Banos in 1985 and passed the Board in 1987, placing 4th among the passers. He has 31 years of experience in the poultry industry having worked for RFM Corporation, Swift Foods, Inc. and Poultrymax Omnis, Inc. He has extensive experience in the whole Broiler Integration Operation from Broiler Breeding all the way down to Poultry Processing Operations.

Atty. Aison Benedict C. Velasco, Filipino, 41 years old
Corporate Secretary

Atty. Velasco was appointed as Corporate Secretary of the Corporation last 26 April 2019. He is presently a Partner of the Angara Abello Concepcion Regala & Cruz Law Office (ACCRAALAW), the firm he joined in 2003. He obtained his bachelor's degree from the Ateneo de Manila University in 1999 and his Juris Doctor law degree from the same university in 2003 graduating with Second Honors. Presently, he acts as corporate secretary of several companies, including AB Mauri Philippines, Inc., ELC Beauty, Inc., Smartmatic Philippines, Inc., UBS Securities Philippines, Inc., UBS Investments Philippines, Inc., Campaigns & Grey, Inc., Plastic Container Packaging Corporation and Consolidated Copolypack Corporation. He assisted clients in establishing mutual funds and exchange traded-funds, conducting public offerings of shares and bonds and undertaking backdoor-listings.

Atty. Mary Christine C. Dabu-Pepito, Filipino, 33 years old

Assistant Corporate Secretary/Compliance Officer/Corporate Information Officer

Atty. Dabu-Pepito was first appointed as the Corporation's Assistant Corporate Secretary/Compliance Officer/Corporate Information Officer on March 21, 2016. She is also the Corporate Secretary of Precisione International Research and Diagnostic Laboratory, Inc. She obtained her Bachelor of Arts (Cum Laude) at the University of the Philippines – Diliman and her Bachelor of Laws degree at the San Beda College-Manila in 2011 where she ranked 8th out of 87 graduates. She was admitted to the Bar on March 28, 2012 and joined Dulay, Pagunsan & Ty Law Offices as one of its Associates Lawyer until May 2013. From June 2013 up to March 2016, she was an Associate Lawyer at Dabu & Associates Law Office and was appointed as a Partner of the said firm on April 2016. Her areas of practice include civil, family, criminal, commercial, administrative, employment and labor law litigation as well as corporate and commercial services. She has appeared before the Office of the City Prosecutor, National Labor Relations Commission, Housing and Land Use Regulatory Board, Social Security Commission, Metropolitan Trial Courts and Regional Trial Courts. She has also represented clients before the Court of Appeals and Supreme Court.

Significant Employees. There are no persons other than the Directors and Executive Officers expected to make a significant contribution to the business of the Corporation.

Family Relationships

Mr. Ricardo Manuel M. Sarmiento is the son of Director Rogelio M. Sarmiento and sister of Stephanie Nicole S. Garcia. Benjamin I. Sarmiento Jr. and Lorenzo Vito M. Sarmiento III are the cousins of Mr. Ricardo Manuel M. Sarmiento.

Item 6. Standard Arrangement

The members of the Board of Directors are entitled to a per diem of P7,000 for regular meetings whereas the members of the Audit, Risk Oversight, Related Party Transactions, Corporate Governance and Compensation & Nomination Committees are entitled to a per diem of P3,000 for every meeting participation.

Arrangements with Directors & Officers

The Corporation does not extend or grant warrants or options to its executive officers and directors. Thus, the Corporation has no obligation to disclose information pertaining to warrants and options.

The market value of the shares of stock, if any, received by the Company's executives and officers approximate the compensation that they should have received had the payment been made in other form of consideration at the grant date.

Executive Compensation

The compensation includes the following:

	2018	2017	2016
Short-term employee benefits	30,615,276	21,436,701	17,596,944
Retirement benefits	1,736,520	1,196,965	1,047,455
Compensation paid in share of stock/equivalent value in cash	0	-	-
Others	12,759,026	5,952,556	4,777,000
	45,110,822	28,586,222	23,421,399

The aggregate compensation including other remuneration during the last two fiscal years, as well as those estimated to be paid in the ensuing fiscal year to the Corporation's Chief Executive Officer and Officers is as follows: (in millions of Pesos)

	YEAR	SALARY	BONUS & OTHERS	AGGREGATE COMPENSATION
CEO & four most highly compensated officers				
Estimated	2019	12.25	-	12.25
Actual	2018	10.62	-	10.62
Actual	2017	10.97	-	10.97
ALL OTHER OFFICERS & DIRECTORS AS A COMPANY UNNAMED				
Estimated	2019	2.31	-	2.31
Actual	2018	2.23	-	2.23
Actual	2017	1.33	-	1.33

TOTAL					
	Estimated	2018	14.56	-	14.56
	Actual	2017	12.85	-	12.85
	Actual	2016	12.30	-	12.30

The following are the five highest compensated officers of the Company:

1. **Ricardo Manuel M. Sarmiento** – CEO/President
2. **Stephanie Nicole S. Garcia** – EVP, Corporate Management Services Director/Treasurer
3. **Reynaldo D. Ortega** – SVP, Poultry and Livestock
4. **Rufino S. Fermin II** – VP, Chief Strategy Officer
5. **Raul N. Rivera** – AVP & Finance Head

* Mr. Rufino S. Fermin II resigned as Vice President, Chief Strategy Officer on March 11, 2019

Certain Relationship and Related Transactions. The Company engages, in the normal course of business, in various transactions with its related parties which include stockholders, entities under common control, key management and others, as described below.

Payable to a Stockholder

Settlement of Restructured Debt. The remaining balance of payable to a stockholder resulted mainly from the acquisition by Kormasinc of the Company's restructured debt from creditors. Of the restructured debt of ₱3.2 billion acquired by Kormasinc (including interest of ₱200.0 million), ₱2.4 billion was converted to equity in 2013.

On December 22, 2017, the SEC approved the debt to equity conversion of the remaining payable of P407.1 million to Kormasinc at P1.52 a share. Consequently, Kormasinc's ownership interest increased from 69.20% to 71.90%. (see Notes 1 and 23)

Summarized below are still outstanding accounts, arising from the foregoing transactions:

	Relationship	Nature of Transactions	2018		2017	
			Amount of Transactions	Outstanding Balances	Amount of Transactions	Outstanding Balances
Kormasinc	Parent Company	Restructured debt acquired	₱-	₱-	₱-	₱175,027,457
		Trade payables acquired	-	-	-	32,097,944
		Interest on restructured debt	-	-	-	199,985,490
						407,110,891
		Debt to equity conversion	-	-	(407,110,891)	(407,110,891)
					₱-	₱-

Due to and from related parties

Advances to and from Related Parties. The Company also grants unsecured, noninterest-bearing advances to its related parties for working capital requirements. These are payable on demand, hence, are classified under current assets in the consolidated statements of financial position.

Summarized below are the outstanding accounts arising from these transactions (see Notes 7 and 12).

Related Party	Nature of Transactions	2018		2017	
		Amount of Transactions	Outstanding Balances	Amount of Transactions	Outstanding Balances
Due from related parties					
Entities under common control	Working capital advances	₱22,435,412	₱21,893,094	(₱146,173,847)	₱-

Trade Payable. The Company buys raw materials, hogs, and breeder flocks from related parties and sells animal feeds, raw materials, feed supplements and dressed chicken to related parties. (see Note 12).

Related Party	Nature of Transactions	2018		2017	
		Amount of Transactions	Outstanding Balances	Amount of Transactions	Outstanding Balances
Stockholder	Purchases (settlement)	₱-	₱85,726,435	₱59,256,155	₱96,327,925

Advances to Officers and Employees

The Company grants unsecured, noninterest-bearing advances to its officers which are normally collected within one year through salary deduction (see Note 7). Certain officers also pay operating expenses on behalf of the Company which are payable upon demand (see Note 12). Shown below are the movements in the accounts.

	Amount of Transactions		Outstanding Balances	
	2018	2017	2018	2017
Advances to officers and employees (see Note 7)	₱12,149,797	₱3,471,841		₱9,505,515

Compensation of Key Management Personnel

The compensation includes the following:

	2018	2017	2016
Short-term employee benefits	₱30,615,276	₱21,436,701	₱17,596,944
Retirement benefits	1,736,520	1,196,965	1,047,455
Others	12,759,027	5,952,556	4,777,000
	₱32,351,796	₱28,586,222	₱23,421,399

Voting Trust Holders of 5% or more

The Corporation is not aware of any person holding more than 5% of the common shares of the Corporation under a voting trust or similar agreement as there has been no voting trust agreement which has been filed with the Corporation and the Securities and Exchange Commission, as required under the Corporation Code.

Description of any arrangement which may result in a change in control of the Corporation

There are no arrangements that will affect or change the ownership.

Item 7. Independent Public Accountants

For the year 2018, the Company's independent public accountant is the accounting firm of SyCip Gorres Velayo & Co. The audit of the financial statements of the Company was handled and certified by the engagement partner, Mr. Roel E. Lucas. The Company has complied with SRC Rule 68, paragraph 3 (b) (iv) re: five (5) years rotation requirement for the external auditor.

In pursuant to SRC Rule 68.1 (Qualification and Reports of Independent Auditors), the Company engaged SyCip Gorres Velayo & Co. for the examination of the Company's financial statements effective calendar year 2018. The engagement of SyCip Gorres Velayo & Co. and the engagement partner is approved by the Board of Directors and the stockholders of the Company.

External Audit Fees and Services

The work of SyCip Gorres Velayo & Co. consisted of an audit of the financial statements of the Company to enable them to express an opinion on the fair presentation of the Company's financial position, results of operations and cash flows in accordance with Philippine Financial Reporting Standards. In addition to their report, and as a value-added service, SyCip Gorres Velayo & Co. also reviewed the Corporation's computation of the annual income tax expense and likewise also the review of the unaudited quarterly consolidated statements of financial position of the Corporation and the related statements of comprehensive income, changes in equity and cash flows for the quarter ended in accordance with Philippine Standards on Review Engagements (PSRE) 2410, "Engagements to Review Financial Statements" issued by the Auditing and Assurance Standards Council, as applicable to review engagements. For the year 2018, audit and audit-related fees amounted to 3.5 million, exclusive of VAT and out of pocket expenses, respectively.

There were no other services obtained from the external auditors other than those mentioned above.

The Audit Committee has confirmed the terms of engagement and the scope of services of the external auditor as endorsed by the Management of the Company.

Audit, Risk Oversight, and Related Party Transactions Committee

The Audit, Risk Oversight, and Related Party Transactions Committee's approval policies and procedure for external auditors are:

1. Statutory audit of company's annual financial statements
 - a. The Audit, Risk Oversight, and Related Party Committee ensures that the services of the external auditor conform with the provision of the company's manual of corporate governance specifically articles 2.3.4.1; 2.3.4.3 and 2.3.4.4
 - b. The Audit, Risk Oversight, and Related Party Committee makes an assessment of the quality of prior year audit work services, scope, and deliverables and makes a determination of the reasonableness of the audit fee based on the proposed audit plan for the current year.
2. For other services other than annual F/S audit:
 - a. The Audit, Risk Oversight, and Related Party Committee evaluates the necessity of the proposed services presented by Management taking into consideration the following:
 - i. The effectiveness of company's internal control and risk management arrangement, systems and procedures, and management degree of compliance.
 - ii. The effect and impact of new tax and accounting regulations and standards.
 - iii. Cost benefit of the proposed undertaking
 - b. The Audit, Risk Oversight, and Related Party Committee approves and ensures that other services provided by the external auditor shall not be in conflict with the functions of the external auditor for the annual audit of its financial statements.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

There was no event in the past fifteen (15) years where the previous and current external auditor had any disagreement with regard to any matter relating to accounting principles or practices, financial statement disclosures or auditing scope or procedure. There were no disagreements with the external auditor of the Corporation on any matter of accounting and financial disclosure.

Item 8. Compensation Plan

No action is to be taken with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed except for the compensation and benefits under existing labor laws and Corporation policy that may be due to employees.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. Authorization or Issuance of Securities Other than for Exchange

Not Applicable

Item 10. Modification or Exchange of Securities

Not Applicable

Item 11. Financial and other Information

The information required under item 11 (a) of SEC Form 20-IS are contained in the Corporation's 2018 Annual Report on SEC Form 17-A and 2018 Audited Financial Statements accompanying this Information Sheet.

Item 12. Mergers, Consolidation, Acquisitions and Similar Matters

Not Applicable

Item 13. Acquisition or Disposition of Property

Assets Held for Disposal

In 2014, the Company's Board of Directors (BOD) approved the disposal of its major feed mill and the land where it is located at Marilao, Bulacan and several noncore assets with an aggregate carrying value of P1,288.7 million for P659.4 million. The proceeds were used to further reduce outstanding liabilities and generate needed working capital. Loss on the sale of assets amounted to P629.3 million (see Note 11 of Audited FS 2015).

In 2015 and 2014, the Company's BOD approved the disposal of certain noncore and core property, plant and equipment including its major feed mill and the land where it is located in Marilao, Bulacan. The proceeds were used to further reduce outstanding liabilities and generate needed working capital (see Note 1 of Audited FS 2015).

Item 14. Restatement of Accounts

Please refer to Notes 2, 3 and 4 of the Audited Consolidated Financial Statements of the Corporation – December 31, 2018.

D. OTHER MATTERS

Item 15. Action with Respect to Reports

Appointment of the Stock Transfer Agent

Stock Transfer Service, Inc. (STSI) is recommended for re-appointment at the annual stockholders' meeting scheduled on June 28, 2019 as the Corporation's stock transfer agent for the ensuing year.

The following are included in the Agenda of the Annual Meeting of Stockholders of the Corporation scheduled on June 28, 2019 for the approval of the stockholders:

1. Call to order;
2. Certification of notice to the stockholders and the presence of a quorum to do business;
3. Approval of the minutes of the previous annual meeting;
4. Report of the President on the operations and financial statements of the Corporations;
5. Confirmation and ratification of the acts of the Board of Directors and officers;
6. Election of directors;
7. Appointment of the external auditor;
8. Appointment of the stock and transfer agent;
9. Other matters; and
10. Adjournment

A brief summary of the Minutes of the Annual Meeting of Stockholders of the Corporation held on 29 June 2018 is as follows:

"I. CALL TO ORDER

The Chairman of the Board, Mr. Jose Vicente C. Bengzon III, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Tadeo F. Hilado, recorded the minutes of the proceedings. Before proceeding to the agenda for the stockholders' annual general meeting for 2018, the Chairman introduced the members of the Board of Directors, the Corporate Secretary and Assistant Corporate Secretary.

II. CERTIFICATION OF NOTICE AND EXISTENCE OF A QUORUM

The Corporate Secretary certified that written notices of the 2018 stockholders' annual general meeting were sent to all stockholders of record as of 29 May 2018 in accordance with law and the By-laws of the Corporation and that a quorum existed for the transaction of business since the stockholders holding 2,218,184,769 shares or 72.62% were present in person or by proxy.

III. APPROVAL OF THE MINUTES OF THE ANNUAL GENERAL MEETING OF THE STOCKHOLDERS HELD ON 30 JUNE 2017

Upon motion duly made and seconded, the reading of the minutes of the annual general meeting of the stockholders of the Corporation held on 30 June 2017 was dispensed with and the said minutes were approved as presented.

IV. REPORT BY THE PRESIDENT/CEO

Mr. Ricardo Manuel M. Sarmiento, President and Chief Executive Officer, reported on the operations and financial statements of the Corporation for the year 2017.

He reported that the measures that the Corporation undertook following its early exit from corporate rehabilitation in 2016 generated considerable success that allowed Vitarich to work toward sustainable growth. He also discussed the Corporation's key programs in 2017, the Corporation's performance in 2017, which was better compared to 2016. President Sarmiento also discussed the Corporation's outlook for 2018 and first quarter performance. He also discussed Vitarich's Project Rebuild, which aims to realize the company's objectives for 2018.

President Sarmiento concluded his report by expressing gratitude to Vitarich's shareholders, Board of Directors, suppliers, business partners and employees.

There being no questions and upon motion duly made and seconded, President Sarmiento's report was noted.

V. CONFIRMATION AND RATIFICATION OF ALL ACTS OF THE BOARD OF DIRECTORS AND OFFICERS SINCE THE LAST ANNUAL GENERAL MEETING

Upon motion duly made and seconded, the stockholders ratified each and every legal act, proceeding, contract, or deed performed, entered into or executed by the Corporation's Board of Directors and Officers, as appearing in the minutes of the meetings of the Board of Directors and other records of the Corporation.

VI. ELECTION OF DIRECTORS

The Chairman informed the body of the mandatory requirement of electing independent directors. As a public company, the Corporation is required to have at least two (2) independent directors. Pursuant to SEC Regulations and the Amended Manual on Corporate Governance, a Nomination Committee was created to screen the qualifications and prepare a final list of all candidates for independent and regular directors. Such final list was made available to all stockholders through the distribution of the Definitive Information Statement, which stated that the candidates nominated by the Nomination Committee for independent directors of the Corporation are:

1. Mr. Manuel D. Escueta; and
2. Mr. Vicente JA Sarza.

Pursuant to SEC regulations, only the said nominees whose names appear on the said final list of candidates shall be eligible for election as independent directors of the Corporation.

Aside from the two independent directors, the following were nominated as members of the Board of Directors of the Corporation for the ensuing year:

1. Mr. Jose Vicente C. Bengzon III;
2. Mr. Rogelio M. Sarmiento;
3. Mr. Ricardo Manuel M. Sarmiento;
4. Ms. Stephanie Nicole S. Garcia;
5. Mr. Benjamin I. Sarmiento, Jr.;
6. Mr. Jose M. Sarmiento;
7. Mr. Lorenzo Vito M. Sarmiento III;
8. Mr. Levi F. Diestro;
9. Dr. Juan Arturo Iluminado C. De Castro

Upon motion duly made and seconded, the nominations were declared closed and the Corporate Secretary casted the votes of all stockholders present in favor of the above nominees, allotting to each of them an equal number of votes cast. Thereafter, the following were declared elected as members of the Board of Directors of the Corporation to serve as such until their successors are duly elected and qualified:

1. Mr. Jose Vicente C. Bengzon III;
2. Mr. Rogelio M. Sarmiento;
3. Mr. Ricardo Manuel M. Sarmiento;
4. Ms. Stephanie Nicole S. Garcia;
5. Mr. Benjamin I. Sarmiento, Jr.;
6. Mr. Jose M. Sarmiento;
7. Mr. Lorenzo Vito M. Sarmiento III;
8. Mr. Levi F. Diestro
9. Dr. Juan Arturo Iluminado C. de Castro
10. Mr. Manuel D. Escueta (Independent Director); and
11. Mr. Vicente J A Sarza (Independent Director).

VII. APPOINTMENT OF THE EXTERNAL AUDITOR

Upon motion duly made and seconded, SYCIP GORRES VELAYO AND CO. was appointed as the Corporation's external auditor for the ensuing year.

VIII. APPOINTMENT OF THE STOCK AND TRANSFER AGENT

Upon motion duly made and seconded, STOCK TRANSFER SERVICES, INC. was appointed as the Corporation's stock and transfer agent for the ensuing year.

IX. ADJOURNMENT

There being no other matters to discuss, and upon motion duly made and seconded, the meeting was adjourned at 2:20 o'clock in the afternoon."

Acts and Resolutions of the Board of Directors and Officers of the Corporation from July 2018 to March 2019.

Date of Action	Description																		
July 23, 2018	<p style="text-align: center;">RESOLUTION NO. 2018-30</p> <p>"RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation be as it is hereby authorized to lodge with the Philippine Depository and Trust Corporation ("PDTCT") on or before 28 July 2018 or on such listing date to be scheduled and determined by the Philippine Stock Exchange, the 267,836,113 common shares issued to Kormasinc, Inc. as a result of the conversion into equity of the Company's debt to Kormasinc, Inc.;</p> <p>"RESOLVED, FURTHER, that any one (1) of the following officers be as they are hereby authorized to sign, execute, and deliver any and all documents necessary to implement the foregoing lodgment of shares:</p> <table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">Name</th> <th style="text-align: left;">Position</th> </tr> </thead> <tbody> <tr> <td>Mr. Ricardo Manuel M. Sarmiento</td> <td>President/CEO</td> </tr> <tr> <td>Ms. Alicia G. Danque</td> <td>Alternate Corporate Information Officer/Corporate Planning Manager</td> </tr> <tr> <td>Atty. Mary Christine C. Dabu-Pepito</td> <td>Corporate Information Officer/ Compliance Officer/Assistant Corporate Secretary"</td> </tr> </tbody> </table>	Name	Position	Mr. Ricardo Manuel M. Sarmiento	President/CEO	Ms. Alicia G. Danque	Alternate Corporate Information Officer/Corporate Planning Manager	Atty. Mary Christine C. Dabu-Pepito	Corporate Information Officer/ Compliance Officer/Assistant Corporate Secretary"										
Name	Position																		
Mr. Ricardo Manuel M. Sarmiento	President/CEO																		
Ms. Alicia G. Danque	Alternate Corporate Information Officer/Corporate Planning Manager																		
Atty. Mary Christine C. Dabu-Pepito	Corporate Information Officer/ Compliance Officer/Assistant Corporate Secretary"																		
July 23, 2018	<p style="text-align: center;">RESOLUTION NO. 2018-31</p> <p>"RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation be as it is hereby authorized to hedge US Dollars of up to the amount of Four Million US Dollars (USD 4,000,000.00) in Asia United Bank;</p> <p>"RESOLVED, FURTHER, that any two (2) of the following officers, provided that at least one (1) of the signatories is a principal signatory, be as they are hereby authorized to sign, execute, and deliver any and all documents, including renewals or extensions, necessary to implement the foregoing US Dollar hedging transaction:</p> <table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;"><u>Principal</u></th> <th style="text-align: left;"><u>Position</u></th> <th style="text-align: left;"><u>Specimen Signature</u></th> </tr> </thead> <tbody> <tr> <td>RICARDO MANUEL M. SARMIENTO</td> <td>President/CEO</td> <td>_____</td> </tr> <tr> <td>STEPHANIE NICOLE S. GARCIA</td> <td>EVP/Corporate Management Services Director/ Treasurer</td> <td>_____</td> </tr> <tr> <td><u>Secondary</u></td> <td></td> <td></td> </tr> <tr> <td>REYNALDO D. ORTEGA</td> <td>SVP & GM, Poultry & Foods</td> <td>_____</td> </tr> <tr> <td>ROWENA M. HOCSON</td> <td>Comptroller</td> <td>_____"</td> </tr> </tbody> </table>	<u>Principal</u>	<u>Position</u>	<u>Specimen Signature</u>	RICARDO MANUEL M. SARMIENTO	President/CEO	_____	STEPHANIE NICOLE S. GARCIA	EVP/Corporate Management Services Director/ Treasurer	_____	<u>Secondary</u>			REYNALDO D. ORTEGA	SVP & GM, Poultry & Foods	_____	ROWENA M. HOCSON	Comptroller	_____"
<u>Principal</u>	<u>Position</u>	<u>Specimen Signature</u>																	
RICARDO MANUEL M. SARMIENTO	President/CEO	_____																	
STEPHANIE NICOLE S. GARCIA	EVP/Corporate Management Services Director/ Treasurer	_____																	
<u>Secondary</u>																			
REYNALDO D. ORTEGA	SVP & GM, Poultry & Foods	_____																	
ROWENA M. HOCSON	Comptroller	_____"																	
July 23, 2018	RESOLUTION NO. 2018-32																		

“RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation be as it is hereby authorized to open and maintain deposit accounts and/or trust accounts (the “Deposit Account/s”) with the PHILIPPINE BANK OF COMMUNICATIONS (hereinafter referred to as the “Bank”), Marilao Branch, or any other branch of the Bank, where the signatures of any two (2) of the following officers, provided that at least one (1) of the signatories is a principal signatory, shall be required:

<u>Principal</u>	<u>Position</u>	<u>Specimen Signature</u>
RICARDO MANUEL M. SARMIENTO	President/CEO	_____
STEPHANIE NICOLE S. GARCIA	EVP/Corporate Management Services Director/ Treasurer	_____
<u>Secondary</u>		
REYNALDO D. ORTEGA	SVP & GM,Poultry & Foods	_____
ROWENA M. HOCSON	Comptroller	_____”

August 24, 2018

RESOLUTION NO. 2018-33

“RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation be as it is hereby authorized to participate in any and all bidding proceedings conducted by the University of the Philippines – Los Baños;

RESOLVED FURTHER, that the Corporation authorize as it hereby authorizes its Regional Business Development Manager, Mr. Alex A. Magua, to represent the Corporation in the afore-mentioned biddings, to make binding declarations, assurances, representations and commitments in behalf of the Corporation, as well as to sign, execute, and submit documents, statements and declarations for and in behalf of the Corporation, including Bid-Securing declarations as a form of bid security, as may be deemed necessary or expedient by such representative under the circumstances;

RESOLVED FINALLY, that Mr. Magua be as he is hereby authorized to do all things necessary to give effect to this Resolution, and all such acts are so hereby ratified and confirmed as binding on the Corporation.”

August 24, 2018

RESOLUTION NO. 2018-34

“RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation be as it is hereby authorized to ratify and give Barbatos Ventures Inc. (“BVI”), the right of usufruct over the Corporation’s Davao and Marilao Dressing Plants for a period of five (5) years beginning January 2018 in consideration for the capital investment by BVI for the additional dressing line and improvement of said property subject to the condition that the usufruct over the property shall automatically terminate and revert to the Corporation after the 5-year period;

“RESOLVED, FURTHER, that the Corporation approve and ratify as it hereby approves and ratifies the Memorandum of Agreement between the Corporation and BVI and the Tri-Partite Confirmation of Memorandum of Agreement for Usufruct to implement the above grant of usufruct and the conditions for the same;

“RESOLVED, FURTHER, that the Corporation authorize as it hereby authorizes its Chairman of the Board of Directors, Mr. Jose Vicente C. Bengzon, III to sign, execute, and deliver the afore-mentioned Memorandum of Agreement.”

“RESOLVED FINALLY, that the Corporation amend as it hereby amends Resolution No. 2017-29, approved on 14 December 2017, to reflect the foregoing resolutions.”

August 24, 2018

RESOLUTION NO. 2018-35

“RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation be as it is hereby authorized to purchase a parcel of lot, together with the improvements thereon, if any, located at Calinan, Brgy. Pangyan, Davao City, consisting of twenty six thousand square meters (26,000 sq. m.), more or less, covered by Transfer Certificate of Title No. 146-2015001035, more particularly described as follows:

TRANSFER CERTIFICATE OF TITLE No. 146-2015001035

LOCATION : BARRIO OF PANGYAN, CITY OF DAVAO, ISLAND OF MINDANAO

TECHNICAL DESCRIPTION

BOUNDARIES:

LINE	DIRECTION	ADJOINING LOT(S)
13-14-15-16- 1-2-3-4-5-6	NE	LOT 8845-B, PSD-11- 085227 AMD.
6-7	NE	DAVAO RIVER
7-8-9	SE	LOT 1826-A, CSD-11 002978-D
9-10	SW	LOT 1826-E, CSD-11 002978-D
10-11-12	NW	LOT 1825, CAD. 281
12-13	NE	DAVAO RIVER

TIE POINT : BLLM NO. 131, CAD 281, GUIANGA CADASTRE EXTENSION

LINE	BEARING	DISTANCE
TO CORNER 1	N. 22 deg. 06'E	173.58 M.
1-2	N. 60 deg. 17'E	18.52 M.
2-3	N. 88 deg. 37'E	14.50 M.
3-4	S. 49 deg. 00'E	64.89 M.
4-5	N. 53 deg. 09'E	5.08 M.
5-6	N. 53 deg. 09'E	20.01 M.
6-7	S. 34 deg. 42'E	43.86 M.
7-8	S. 65 deg. 03'W	20.29 M.
8-9	S.65 deg. 03'W	156.69 M.
9-10	N. 30 deg. 09'W	197.61 M.
10-11	N. 69 deg. 33'E	143.12 M.
11-12	N. 69 deg. 33'E	20.63 M.
12-13	S. 34 deg. 42'E	53.69 M.
13-14	N.73 deg. 24'W	31.99 M.
14-15	N. 73 deg. 24'W	19.22 M.
15-16	N.81 deg. 18'W	38.70 M.
16-1	S.26 deg. 54'E	84.93 M.

AREA: TWENTY SIX THOUSAND (26,000) SQUARE METERS, more of less";

RESOLVED FURTHER, that the Corporation authorize as it hereby authorizes its Senior Vice President and General Manager, Poultry and Foods Division, Mr. Reynaldo D. Ortega, to negotiate and agree to the terms of the purchase of the above-mentioned property, and to sign, execute, and deliver the Deed of Absolute Sale and any and all documents necessary to implement the purchase of the said property and the transfer of title to the property in the name of the Corporation."

August 24, 2018

RESOLUTION NO. 2018-36

"RESOLVED, that the Corporation be as it is hereby authorized to apply for, negotiate and obtain a loan/line, from CHINA BANK SAVINGS, INC., in the amount not to exceed the principal sum of **FOUR HUNDRED MILLION PESOS (Php400,000,000.00)** Philippine Currency, to be secured by the following:

A. Real Estate Mortgage for Php200.0M over the following properties:

- a. Interior industrial lot with improvements located at KM 14 Panacan, Davao City covered by TCT No. T-153204 registered under the name of Vitarich Corporation;

	<p>b. One (1) unit Buhler Feedmill machinery and equipment erected and located at Vitarich Compound, KM 14 Panacan, Davao City.</p> <p>RESOLVED FURTHER, that the following officers of the corporation, be authorized to apply for, negotiate, and execute for and in behalf of the Corporation such loan/line agreements, mortgage contracts, deed of assignment, promissory notes, disclosure statements, and all other documents including but not limited to renewals, extensions, increase and decrease of the loan, the interest and the amendments thereon under such terms and conditions as such officer may deem necessary and convenient:</p> <p>RICARDO MANUEL M. SARMIENTO _____</p> <p>STEPHANIE NICOLE S. GARCIA _____</p> <p>ALICIA G. DANQUE _____”</p>
August 24, 2018	<p style="text-align: center;">RESOLUTION NO. 2018-37</p> <p>“RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation be as it is hereby authorized to purchase from Davao South Feedmill Corporation the brand new building and warehouse with a brand new 10 tonner Bhuler-China Feedmill equipment located at Vitarich Compound, Km. 14, Panacan, Davao City, subject of the MOA-Toll Mill Plant dated April 25, 2016 between the Corporation and Davao South Feedmill Corporation, including the “Assets” defined in the Asset Sale and Purchase Agreement (“ASPA”), as well as all the equipment and items specified in the Asset Schedule as defined in the ASPA, and the design, layout, techniques, and other trade secrets in operating the specific feedmill plant and equipment subject of the ASPA in an optimal and efficient manner;</p> <p>“RESOLVED FURTHER, that the Corporation authorize as it hereby authorizes its President/Chief Executive Officer, Mr. Ricardo Manuel M. Sarmiento, to sign, execute, and deliver the Memorandum of Agreement, Asset Sale and Purchase Agreement, Deed of Sale and any and all documents necessary to implement the purchase of the above-mentioned properties and/or assets and the transfer of title to the said properties and/or assets in the name of the Corporation.”</p>
October 6, 2018	<p style="text-align: center;">RESOLUTION NO. 2018-38</p> <p>“RESOLVED AS IT IS HEREBY RESOLVED, that the Corporation approve as it hereby approves the withdrawal of Criminal Case No. 2282-M-1993 for Violation of Batas Pambansa 22 titled <i>People of the Philippines v. Josefino Villaroman</i> pending before the Municipal Trial Court of Marilao, Bulacan;</p> <p>“RESOLVED, further that the Corporation authorize as it hereby authorizes Mr. Marlowe C. Mediante or Mr. Benedict J. Mogarte to execute and sign an <i>Affidavit of Desistance</i> in the above-mentioned case, and to move for the dismissal of the said case.”</p>
October 6, 2018	<p style="text-align: center;">RESOLUTION NO. 2018-39</p> <p>“RESOLVED AS IT IS HEREBY RESOLVED, that the Corporation amend as it hereby amends Resolution No. 2018-02 approved last 19 January 2018 to authorize the following Credit and Collection Personnel:</p> <ol style="list-style-type: none"> 1. <u>Mr. Ralph Adrian Aruj or Ms. Lorelai Acuzar – Mindanao;</u> 2. <u>Mr. Rey Deloso – Visayas.</u> <p>to file, execute, and sign Complaints, Affidavits, Answers, Petitions, Memoranda, Counter-affidavits, Statement of Claims, and all other pleadings for and in behalf of the Corporation in their respective areas as indicated opposite their names, and for this purpose, to sign the Verification and Certification on Non-Forum Shopping;</p> <p>“RESOLVED FURTHER, that the Corporation authorize as it hereby authorizes any one (1) of them to appear for and in behalf of the Corporation in cases filed by or against the Corporation in their respective areas, including small claims cases, during all stages of trial, including preliminary conference, pre-trial, mediation and judicial dispute resolution stages, with power to enter into stipulations of facts, enter into compromise agreements, submit to alternative modes of dispute resolutions, to execute Affidavits of Desistance for settled civil obligations and all other powers under the Rules of Court.”</p>

October 6, 2018

RESOLUTION NO. 2018-40

“RESOLVED AS IT IS HEREBY RESOLVED, that the Corporation amend as it hereby amends Resolution No. 2016-09 approved last 21 March 2016 to authorize Mr. Marlowe C. Mediante or Mr. Benedict J. Mogarte to file, execute, and sign Complaints, Affidavits, Answers, Petitions, Memoranda, Counter-affidavits, Statement of Claims, and all other pleadings for and in behalf of the Corporation, and for this purpose, to sign the Verification and Certification on Non-Forum Shopping;

“RESOLVED FURTHER, that the Corporation authorize as it hereby authorizes either Mr. Mediante or Mr. Mogarte to appear for and in behalf of the Corporation in cases filed by or against the Corporation, including small claims cases, and to testify for and in behalf of the Corporation;

“RESOLVED, FINALLY, that Mr. Marlowe C. Mediante, Mr. Benedict J. Mogarte, Atty. Mary Christine C. Dabu-Pepito, Atty. Carmencita C. Dabu, or Atty. Nenita C. Tuazon-Dela Cruz to act as the representative of the Corporation during preliminary conference, pre-trial, mediation and judicial dispute resolution stages, with power to enter into stipulations of facts, enter into compromise agreements, submit to alternative modes of dispute resolutions, to execute Affidavits of Desistance for settled civil obligations and all other powers under the Rules of Court.”

Atty. Dabu-Pepito explained that the foregoing resolution was requested in order to add Mr. Benedict J. Mogarte as one of the authorized representatives of the Corporation to appear in cases filed by or against the Corporation, thereby, lessening the court appearances of Mr. Marlowe C. Mediante so that the latter can focus on the Renoir Project.

October 6, 2018

RESOLUTION NO. 2018-41

“RESOLVED AS IT IS HEREBY RESOLVED, that the Corporation be as it is hereby authorized to open an account with Security Bank Corporation (“the Bank”), in the name and for the use of the Corporation; that all moneys, checks, or other funds of the Corporation be deposited in said Bank and that until otherwise ordered, said Bank be and it hereby is authorized to make payments from the funds of this Corporation on deposit with it upon and according to the check of this Corporation, or allow withdrawal of funds therefrom in case of savings accounts by way of withdrawal slips, in either case signed by any two (2) of the following officers, provided that at least one of them is a principal signatory:

NAME	POSITION	SPECIMEN SIGNATURE
<i>Principal:</i>		
Mr. Ricardo Manuel M. Sarmiento	President/ CEO	_____
Ms. Stephanie Nicole S. Garcia	EVP Corporate Management Services/ Treasurer	_____
<i>Secondary:</i>		
Mr. Reynaldo D. Ortega	Senior Vice President/ General Manager – Poultry and Foods Division	_____
Ms. Rowena M. Hocson	Comptroller	_____

that said Bank is authorized to receive for deposit or collection any items purporting to be endorsed in the name of the Corporation; that all such checks, drafts, notes, or other negotiable papers endorsed to or signed by this Corporation, as aforesaid, including checks drawn to cash or bearer or to the individual order of any officer of this Corporation, shall be honored and paid by said Bank without inquiry as to whether the same be drawn or required for this Corporation’s business or benefit; and all such payments shall be charged to the Corporation’s account; that the above-mentioned signatory/ies be authorized as authority is hereby

given to designate or further authorize a representative to receive the proceeds of funds withdrawn from the Corporation's account; hereby ratifying and approving all that said Bank may do or cause to be done by virtue hereof;

"RESOLVED FURTHER, that said signatories be as they are hereby authorized to renew, roll-over, amend, revise, convert or substitute, as may be necessary and/or applicable, the above-mentioned deposits, placements, investments, banking/treasury transactions and other banking services, obtained from Security Bank Corporation;

"RESOLVED LIKEWISE, that the above-mentioned signatories be as they are hereby authorized to apply for and obtain from the Bank, in the name of the Corporation, any of its banking services such as Telebanker and Mobilebanker Products, enroll the corporate bank account(s) in Fund Transfer Facilities (Security Check Protector, Security Maximizer and Security Scheduler), and obtain such other services including, but not limited to, Deposit Pick Up, Cash Delivery and Bills Payment Services, under such terms and conditions as are or may be required by the Bank; to apply for, invest in and/or obtain from the Bank any of its Treasury Products such as, but not limited to, Fixed Income Security, Money Market, Foreign Exchange, and Derivatives (hereinafter referred to as banking/treasury transactions) in the name of the Corporation, subject to such terms and conditions and collateral agreements, if any, as are or may be required by the Bank, consistent with the risk management techniques and systems which the Corporation has in place, sufficient to manage and monitor the risk that the Corporation will take in engaging in derivative transactions;

"RESOLVED FURTHER, that upon enrollment to Funds Transfer Facility, the Bank is hereby authorized to allow and to effect transfers of funds from the Corporation's deposit account to other accounts within enrolled accounts indicated on the Funds Transfer Application and Maintenance Form or such other documents as may be required by the Bank;

"RESOLVED ALSO, that the Corporation warrants to the Bank that the transfer of funds emanates from valid and legal transactions, and hereby holds the Bank, its officers, employees, agents, assigns, and other authorized representatives, free and harmless from any and all claims which may arise as a result of the authority hereinabove given; hereby ratifying and approving all that the Bank may do or cause to be done by virtue hereof;

"RESOLVED ALSO, that said signatories be as they are hereby authorized to execute, sign and deliver any and all such agreements, contracts and other documents as are or may be necessary to implement the foregoing authorities;

"RESOLVED FINALLY, that the foregoing resolutions shall continue and remain in full force and effect until repealed and/or amended by subsequent resolutions of the Board of Directors and appropriate copies thereof served upon and received by the Bank."

October 6, 2018

RESOLUTION NO. 2018-42

"RESOLVED AS IT IS HEREBY RESOLVED, that the Corporation authorize as it hereby authorizes its Cashier in its Cagayan De Oro Office, Ms. Dolly V. Jiz, to receive from the National Labor Relations Commission Regional Arbitration Branch No. X – Cagayan De Oro City the amount of FORTY SEVEN THOUSAND SIX HUNDRED TWENTY SEVEN & 37/100 PESOS (Php47,627.37), whether in the form of cash or manager's check, representing the refund or release of the cash bond posted by the Corporation in the case of Joenel M. Talan v. Vitarich Corporation, with NLRC Case No. RAB-10-01-00037-2016."

October 6, 2018

RESOLUTION NO. 2018-43

"RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation be as it is hereby authorized to purchase a parcel of land, together with the improvements thereon, if any, located at Poblacion, Sulop, Davao Del Sur, consisting of seventy seven thousand nine hundred sixty (77,960 sq. m.) square meters, more or less;

"RESOLVED FURTHER, that the Corporation authorize as it hereby authorizes its Senior Vice President and General Manager, Poultry and Foods Division, Mr. Reynaldo D. Ortega, to negotiate and agree to the terms of the purchase of the above-mentioned property, and to sign, execute, and deliver the Deed of Absolute Sale and any and all documents necessary to implement the purchase of the said property and the transfer of title to the property in the name of the Corporation."

<p>October 6, 2018</p>	<p style="text-align: center;">RESOLUTION NO. 2018-44</p> <p>“RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation be as it is hereby authorized to purchase a parcel of land, together with the improvements thereon, if any, located at Bontoc, Lambunao, Iloilo, consisting of forty nine thousand eight hundred fifty six (49,856) square meters, more or less, and covered by Transfer Certificate of Title No. CLOA T-14629;</p> <p>“RESOLVED FURTHER, that the Corporation authorize as it hereby authorizes its Senior Vice President and General Manager, Poultry and Foods Division, Mr. Reynaldo D. Ortega, to negotiate and agree to the terms of the purchase of the above-mentioned property, and to sign, execute, and deliver the Deed of Absolute Sale and any and all documents necessary to implement the purchase of the said property and the transfer of title to the property in the name of the Corporation.”</p>
<p>October 6, 2018</p>	<p style="text-align: center;">RESOLUTION NO. 2018-45</p> <p>“RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation be as it is hereby authorized to purchase a parcel of land, together with the improvements thereon, if any, located at Callos, Peñaranda, Nueva Ecija containing an area of twenty eight thousand seven hundred sixty nine (28,769) square meters, more or less, covered by Transfer Certificate of Title CLOA (Vos) 6112;</p> <p>“RESOLVED FURTHER, that the Corporation authorize as it hereby authorizes its Senior Vice President and General Manager, Poultry and Foods Division, Mr. Reynaldo D. Ortega, to negotiate and agree to the terms of the purchase of the above-mentioned property, and to sign, execute, and deliver the Deed of Absolute Sale and any and all documents necessary to implement the purchase of the said property and the transfer of title to the property in the name of the Corporation.”</p>
<p>October 6, 2018</p>	<p style="text-align: center;">RESOLUTION NO. 2018-46</p> <p>“RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation be as it is hereby authorized to purchase a parcel of land, together with the improvements thereon, if any, located at Callos, Peñaranda, Nueva Ecija containing an area of forty thousand one hundred twelve (40,112) square meters, more or less, covered by Transfer Certificate of Title NT-68730;</p> <p>“RESOLVED FURTHER, that the Corporation authorize as it hereby authorizes its Senior Vice President and General Manager, Poultry and Foods Division, Mr. Reynaldo D. Ortega, to negotiate and agree to the terms of the purchase of the above-mentioned property, and to sign, execute, and deliver the Deed of Absolute Sale and any and all documents necessary to implement the purchase of the said property and the transfer of title to the property in the name of the Corporation.”</p>
<p>October 31, 2018</p>	<p style="text-align: center;">RESOLUTION NO. 2018-47</p> <p>“RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation’s Senior Analyst, Mr. Gianni Carlo V. Gandia, is hereby authorized to apply for, process, and secure the Corporation’s Tax Clearance For Bidding Purposes from the Bureau of Internal Revenue;</p> <p>“RESOLVED, FURTHER, that Mr. Gandia be as he is hereby authorized to sign, execute, and deliver any and all documents to implement the foregoing authority.”</p>
<p>October 31, 2018</p>	<p style="text-align: center;">RESOLUTION NO. 2018-48</p> <p>“RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation is hereby authorized to apply for its Importer Accreditation with the Bureau of Customs Account Management Office (AMO);</p> <p>“RESOLVED, FURTHER, that the Corporation’s Treasurer/EVP, Corporate Management Services, Ms. Stephanie Nicole S. Garcia, is hereby authorized to sign any and all documents necessary, required and related to the Corporation’s Importer Accreditation application with the Bureau of Customs Account Management Office;</p> <p>“RESOLVED, FURTHER, that Ms. Garcia is hereby authorized to sign Import Entry Forms in the Bureau of Customs;</p> <p style="text-align: center;"><i>Name</i> <i>Position</i> <i>Signature</i></p>

Stephanie Nicole S. Garcia

Treasurer/EVP, Corporate
Management Services

“RESOLVED, FURTHER, that the Corporation is hereby authorized to maximize the use of current office address/es with other available spaces as the warehouse/s for the imported goods;

“RESOLVED, FURTHER, that any duly authorized representative of Team Global Logistics Solutions, Inc. is hereby authorized to follow-up, receive, and pick-up for and in behalf of the Corporation the Importer Accreditation of the Corporation from the Bureau of Customs’ Account Management Office;

“RESOLVED, FINALLY, that all previously issued resolutions inconsistent with the foregoing authority be as they are hereby revoked.”

It was explained that Resolution No. 2018-48 is a requirement of the Bureau of Customs Account Management Office for Vitarich to be able to import its raw materials or supplies.

October 31, 2018

RESOLUTION NO. 2018-49

“RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation’s Senior Analyst, Mr. Gianni Carlo V. Gandia, is hereby authorized to transact business with Manila Electric Company (MERALCO), in connection with the Corporation’s applications for refund under the following SERVICE IDENTIFICATION NOS.:

SIN	Service Address
850438101	1938@
850438401	1940@
249978101	9002 @(FARM) SAPANG A PARTIDA PARTIDA NORZAGARAY BULACAN
250092801	9015 @ SAN IGNACIO POBLACION POBLACION SAN JOSE DEL MONTE CITY BULACAN
652773601	2316 CHINO ROCES EXT KAYAMANAN C MAKATI (ISOLATED) MAKATI CITY METRO MANILA
850386301	594 A MAC ARTHUR MALANDAY MALANDAY VALENZUELA METRO MANILA
850387002	1602@
850434001	594 A MAC ARTHUR MALANDAY MALANDAY VALENZUELA METRO MANILA
850434101	594 A MAC ARTHUR MALANDAY MALANDAY VALENZUELA METRO MANILA
850434201	594 A MAC ARTHUR MALANDAY MALANDAY VALENZUELA METRO MANILA
850438501	1941@
50438701	594 A MAC ARTHUR MALANDAY MALANDAY VALENZUELA METRO MANILA

“RESOLVED, FURTHER, that Mr. Gandia be as he is hereby authorized to sign, submit, execute and deliver any and all necessary documents to implement the foregoing resolution;

“RESOLVED, FINALLY, that Mr. Gandia be as he is hereby authorized to receive any and all checks representing the amounts refunded to the Corporation.”

November 28, 2018	<p style="text-align: center;">RESOLUTION NO. 2018-50</p> <p>“RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation authorize as it hereby authorizes its Credit and Collection Officers for Visayas, Messrs. Rolly M. Casa and/or Rowell G. Binobo, to appear and represent the Corporation in the case of <i>“Sps. Henry Tiu And Erlinda Igtanloc-Tiu versus Vitarich Corporation and The Register Of Deeds Of Roxas City”</i>, Civil Case No. V-42-15, pending before the Regional Trial Court, Roxas City, Branch 15;</p> <p>“RESOLVED, FURTHER, that the Corporation authorize as it hereby authorizes any one (1) of them to file, execute and sign verifications, certifications on non-forum shopping, affidavits, answers, petitions, memoranda, counter-affidavits, and all other pleadings for and in behalf of the corporation in the above-entitled case;</p> <p>“RESOLVED, FINALLY, that the Corporation authorize as it hereby authorizes any one (1) of the said officers to appear for and in behalf of the Corporation in the above-entitled case, during all stages of trial, including preliminary conference, pre-trial, mediation and judicial dispute resolution stages, and appeals, with power to enter into stipulations of fact, enter into compromise agreements, submit to alternative modes of dispute resolutions, execute Affidavit of Desistance and all other powers under the Rules of Court.”</p>
November 28, 2018	<p style="text-align: center;">RESOLUTION NO. 2018-51</p> <p>“RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation be as it is hereby authorized to sell its 2006 Ford Everest Wagon, more particularly described as follows:</p> <p style="margin-left: 40px;"> Make/Type : FORD EVEREST WAGON Year Model : 2006 Chassis No : MNCLS4D406W118530 Motor No. : WLAT722498 Plate No. : FFY559 </p> <p>“RESOLVED, FURTHER, that the Corporation authorize as it hereby authorizes its EVP Corporate Management Services/Treasurer, Ms. Stephanie Nicole S. Garcia, to sign, execute, and deliver any and all documents relative to the sale of the said motor vehicle;</p> <p>“RESOLVED, FINALLY, that the Corporation ratify as it hereby ratifies the Deed of Absolute Sale dated 07 November 2018 executed by and between the Corporation and Ms. Jade F. Escosia.”</p>
November 28, 2018	<p style="text-align: center;">RESOLUTION NO. 2018-52</p> <p>“RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation authorize as it hereby authorizes its President/CEO, Mr. Ricardo Manuel M. Sarmiento, or its EVP-Corporate Management Services/Treasurer, Ms. Stephanie Nicole S. Garcia, or Atty. Juan Arturo Iluminado C. De Castro, or any lawyer from De Castro and Cagampang-De Castro Law Firm to appear and represent the Corporation in the case of <i>“National Transmission Corporation versus Vitarich Corporation”</i>, Civil Case No. 501-M-2018, pending before the Regional Trial Court, Malolos City, Bulacan, Branch 19, including appeals and petitions for certiorari;</p> <p>“RESOLVED, FURTHER, that the Corporation authorize as it hereby authorizes Mr. Ricardo Manuel M. Sarmiento, or Ms. Stephanie Nicole S. Garcia to file, execute and sign complaints, counterclaims, verifications, certifications on non-forum shopping, affidavits, answers, petitions, memoranda, counter-affidavits, and all other pleadings for and in behalf of the Corporation in the above-entitled case;</p> <p>“RESOLVED, FINALLY, that the Corporation authorize as it hereby authorizes Atty. Juan Arturo Iluminado C. De Castro, or any lawyer from De Castro and Cagampang-De Castro Law Firm to appear for and in behalf of the Corporation in the above-entitled case, during all stages of trial, including preliminary conference, pre-trial, mediation and judicial dispute resolution stages, and appeals, with power to enter into stipulations of facts, enter into compromise agreements, submit to alternative modes of dispute resolutions, execute Affidavit of Desistance and all other powers under the Rules of Court.”</p>
December 17, 2018	<p style="text-align: center;">RESOLUTION NO. 2018-53</p>

“RESOLVED AS IT IS HEREBY RESOLVED, that the Corporation be as it is hereby authorized and empowered to open/renew a Shell Fuel Card Account with and avail of the Shell Fuel Card Services (collectively the ‘Shell Fuel Card’) of PILIPINAS SHELL PETROLEUM CORPORATION (‘Shell’);

“RESOLVED, FURTHER, that either the Corporation’s AVP for Finance, Mr. Raul N. Rivera, Jr., or the Corporation’s HRD Manager, Ms. Lilibeth R. Carao, whose respective specimen signatures appear below, be as they are hereby authorized and empowered to negotiate the terms and conditions of the Shell Fuel Card, issue payments, as well as to sign, execute, deliver, receive and acknowledge receipt, for and on behalf of the Corporation, any and all contracts, documents, certifications and instruments required or necessary to carry out the foregoing resolution:

<u>Name</u>	<u>Position</u>	<u>Specimen Signature</u>
Raul N. Rivera, Jr.	AVP for Finance	_____
Lilibeth R. Carao	HRD Manager	_____

“RESOLVED, FURTHER, That the fuel purchases and any and all transactions pursuant to the availment by the Corporation of the Shell Fuel Card shall be used exclusively for the operational needs of the Corporation, and shall not be resold, transferred, conveyed, exchanged or disposed of by the Corporation in favor of any other party for any reason;

“RESOLVED, FURTHER, That none of the Corporation’s representatives shall be authorized to use the Corporation’s Shell Fuel Card/s for wholesale reselling and/or trading;

“RESOLVED, ALSO, That none of the members of the Board of Directors and Stockholders of the Corporation is in any way related to an existing Shell retailer, contractor or employee;

“RESOLVED, FINALLY, That the foregoing resolutions shall remain valid and subsisting until the same are expressly revoked by the Board of Directors of the Corporation; and that any and all previous resolutions which are inconsistent with the foregoing relations be, as they are hereby, modified, amended, superseded or revoked accordingly.”

December 17, 2018

RESOLUTION NO. 2018-54

“RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation authorize as it hereby authorizes the following employees:

LUZON	-	FAITH MARIE DONADILLO – Corp. Services Officer
NAGA	-	RHONA SIOCO – Junior Analyst (Accounting)
BACOLOD	-	REY DELOSO – Credit & Collection Head
CEBU	-	ERWIN TRAGICO – Credit & Collection Head
ILOILO	-	ROWEL BINOBO – Credit & Collection Head
DAVAO	-	RALPH ADRIAN ARUJ – Credit & Collection Head
CDO	-	DOLLY JIZ – Cashier

to: (a) process the renewal of the Corporation’s business permits and/or licenses for the year 2019 with all government offices and agencies in their assigned areas; (b) sign, execute, and deliver any and all documents necessary or required for said renewal of business permits and/or licenses; (c) process the necessary payments for the application, renewal, or processing said business permits and/or licenses; and (d) secure and claim the said business permits and/or licenses.”

January 23, 2019

RESOLUTION NO. 2019-01

“RESOLVED AS IT IS HEREBY RESOLVED, that the Corporation be as it is hereby authorized to amend Resolution No. 2018-05, approved on 22 February 2018, to read as follows:

“RESOLVED, that for the purpose of purchases of fuel products from **PETRON CORPORATION**, the Corporation authorize as it hereby authorizes either its AVP for Finance, Mr. Raul N. Rivera, Jr., or its HRD Manager, Ms. Lilibeth R. Carao, to negotiate and conclude a Credit Line Agreement with **PETRON CORPORATION**, under such terms and conditions as may be considered necessary and beneficial to the Corporation;

“RESOLVED FURTHER, that either Mr. Raul N. Rivera, Jr. or Ms. Lilibeth R. Carao be as either of them is hereby authorized to sign for and in behalf of **VITARICH CORPORATION** said Credit Line Agreement and/or such instruments of understanding;

“RESOLVED FURTHER, as it is hereby resolved, that the Corporation guarantees for all Petron Fleet Cards issued to the Corporation;

“RESOLVED FURTHER, as it is hereby resolved, that any and all acts done and/or performed by the above mentioned officers under and by virtue of this resolution be as it is hereby confirmed and ratified.”

January 23, 2019

RESOLUTION NO. 2019-02

“RESOLVED AS IT IS HEREBY RESOLVED, that the Corporation be as it is hereby authorized to amend Resolutions Nos. 2014-43A, 2017-20, as well as all other previously issued board resolutions relative to the authority to transact with BDO Unibank, Inc. or any of its branches, subsidiaries, and affiliates, and a new one be issued to read as follows:

“RESOLVED, as it is hereby resolved, that the Corporation shall transact with BDO UNIBANK, INC. or any of its branches, subsidiaries and affiliates such as BDO Leasing and Finance, Inc. (BDOLFI), BDO Rental, Inc. (BDORI), and BDO Private Bank, Inc. (BDOPBI), [singularly or collectively referred to as the “Bank”] for the obtainment of loan facilities and availment of banking products and services;

“RESOLVED, FURTHER, as it is hereby resolved, that in this regard, the Corporation shall be authorized to do the following:

1. **OPEN AND MAINTAIN DEPOSITORY ACCOUNTS**. To open, maintain, and manage in the name of the Corporation, any number of peso or foreign currency savings/current/time and other accounts with the Bank (“Depository Accounts”), and in this regard, it may:

- 1.a. Deposit to and withdraw from the Depository Accounts, in whatever form and manner, and in such amount as the Corporation may deem appropriate or necessary;
- 1.b. Transfer funds from the Depository Accounts to other corporate, partnership, cooperative and/or individual accounts being maintained with the Bank and other banks;
- 1.c. Perform balance inquiries and bills payments;
- 1.d. Close the Depository Account and ask, demand, sue for, collect, and receive the proceeds of the Depository Account in the name of the Corporation;
- 1.e. Receive, accept, endorse and negotiate all checks, drafts, or orders of payment payable to the Corporation or its order which may require the Corporation's endorsement;
- 1.f. Request for the issuance of certificates of bank deposits/placements in favor of various institutions, both government and/or private, relative to the Corporation's accounts and authorizing the Bank to disclose any and all information relative thereto as requested by the addressee institution. For the foregoing purposes, the Corporation hereby waives its rights in favor of the Bank under Republic Act No. 1405 (the Bank Secrecy Act of 1955) as amended, Section 55 of Republic Act No. 8791 (The General Banking Law of 2000), as amended, Republic Act No. 6426 (Foreign Currency Deposit Act of the Philippines of 1974), as amended, and other laws/regulations, including subsequent amendments or supplements thereto, relative to the confidentiality of secrecy of banks deposits/accounts, placements, investments, and similar or related assets in the custody of the Bank. The Corporation shall hold the Bank, its directors, officers, employees, representatives, and agents, free and harmless from any liability arising from its exercise of its remedies and authorities hereunder, or from any action taken by it on the basis of and within the framework of the foregoing authority;
- 1.g. Consent to or allow the (a) enrollment, use, and aggregation of the Corporation's Depository Accounts with the Bank for purposes of compliance by the Corporation, its parent company, subsidiaries, and/or affiliates, as may be identified by the Corporation, with any average daily balance requirement (ADB) of the Bank; and (b) enrollment and use of the Corporation's Depository Accounts with the Bank serve as debit account/s to fund the needs/requirements of the Corporation, its parent company, subsidiaries and/or affiliates, as may be identified by the Corporation, subject to existing policies of BDO thereon;

2. **OPEN AND MAINTAIN CORPORATE CARD ACCOUNT**. To apply, maintain and manage in the name of the Corporation, any number of corporate card account of any card brand/product offered by the Bank, including but not limited to Purchasing, Distribution and Fleet Card, with the Bank or any of its branches (hereinafter to be referred to as “Corporate Card Accounts”), and in this regard, it may:

- 2.a. Authorize the Bank to issue corporate cards from said Corporate Card Accounts to the Corporation's qualified officers or employees ("Assignees");
- 2.b. Fully pay and settle any and all purchases made and/or expenses incurred by said Assignees through the use of the issued Corporate Cards, including interest and service charges that may accrue thereto, through any means, including the enrollment and use of the Corporation's Depository Accounts under an automatic debit arrangement, if applicable;

3. AVAIL OF PRODUCTS AND SERVICES. To apply for, avail, and/or register for any and all products and services offered by the Bank, including but not limited to:

- 3.a. Product and services offered by the Bank's **Consumer Lending Group-Credit Card Unit** such as merchant affiliation which includes acceptance of credit cards and/or ATM / debit cards and/or other types of cards for transactions that will pass through the Bank's Point-of-Sale (POS) terminals and/or for internet transactions and/or other payment platforms;
- 3.b. Products and services offered by the Bank's **Transaction Banking Group**, such as integrated disbursement services (IDS), payment collection services, payroll services, cash card services, electronic banking services, Business Online Banking (BOB) services, collection and disbursement services, liquidity management, account services, remittance products and services, cash management services, retail products, and such other existing and future products and services and in this regard, it may:
 - i. Enroll, dis-enroll, re-enroll the following:
 - Depository Account/s in and from BOB
 - Corporation System Administrator authorized to do and perform acts allowed under the Bank's terms and conditions
 - Merchant/subscriber and/or third party accounts in BOB for bills/other payment purposes.
 - ii. Enroll, dis-enroll, re-enroll and designate the respective roles, access rights and authorized acts and transactions of users in BOB Facility (maker, approver, and/or verifier) with respect to the enrolled Depository Account/s as may be allowed under the Bank's terms and conditions governing BOB.
- 3.c. Products and services offered by the Bank's **Trust and Investments Group** and in this regard, it may:
 - i. Open and maintain an Investment Management Account (IMA), retirement fund and other Trust Banking Products, inclusive of Unit Investment Trust Funds (UITFs) and other fiduciary accounts;
 - ii. Appoint the Bank as (a) Investment Manager of the IMA, (b) Trustee and/or Manager of the retirement fund and other managed funds and/or trust banking products and services;
 - iii. Allow the Bank as Investment Manager to directly invest its fund under the IMA and other managed funds and/or trust banking products and services in government securities, including Special Deposit Account (SDA), of Bangko Sentral ng Pilipinas (BSP) and other investment instruments;
 - iv. Allow the authorized representative/signatories of the Corporation to designate members and signatories for the retirement committee as well as retirement plan.
- 3.d. Products and services offered by the Bank's **Treasury Group** and in this regard, it may:
 - i. Purchase, sell, and invest in debt securities and other money market instruments and products such as but not limited to, government securities and corporate papers including those issued by the Bank and to execute, deliver, and perform any and all agreements, instruments, documents as may be necessary to effect such transactions;
 - ii. Enter into foreign exchange dealings as well as derivative transactions and contracts with the Bank such as buying and selling of foreign exchange, under spot, swaps, options, and forwards transactions;
 - iii. Allow the authorized representative/signatories of the Corporation to appoint authorized trader/s of the Corporation to deal with the Bank in relation to the foregoing transactions.

For the purpose of investments or dealings in or purchase of government securities, to appoint the Bank as the Corporation's true and lawful attorney, to act for its name and in its behalf in transacting business directly or indirectly with the appropriate securities registry and/or third party custodian duly accredited by the BSP and/or Securities and Exchange Commission (S.E.C.) in accordance with the relevant BSP and/or SEC regulations, to do and perform

every act necessary that the Corporation might or could do in reference to any and all corporate and government securities holdings of the Corporation.

4. **AVAIL OF CREDIT AND LEASE FACILITIES.** To apply for, negotiate and obtain loans, credit and/or lease accommodations or facilities, such as letters of credit, trust receipts, bills purchases, foreign exchange settlement lines from time to time in amounts which may be required by the Corporation, which authority shall include extensions, renewals, re-availments, increases, excess/over-availments, roll-overs, restructurings, novations, amendments or conversions into other credit form or type, and in this regard, it may:

4a. Execute, sign and deliver from time to time the relevant loan, lease agreements, promissory note/s, disclosure statements, lease schedules, trust receipts and any and all other documents pertinent and necessary to implement the accommodations / facilities referred hereto;

4b. Lease from and/or sell to BDOLFI and/or BDORI real and/or personal property (such as motor vehicle/s, vessels, aircraft, equipments and/or machinery) including availment of BDOLFI or BDORI facilities such as Installment Paper Purchase, factoring, floor stock financing, assignment of trade receivables and sale-and-lease back transactions.

5. **AVAILABILITY OF CREDIT FACILITY/IES TO CO-USER/S.** To allow the individual/s, subsidiary/ies, affiliate/s, entity/ies as indicated in any and all contracts, instruments, documents or writings relative to the credit facilities executed, signed, delivered by the Corporation to the Bank to share/use/avail/earmark against its credit facility/ies with the Bank.

6. **MORTGAGE, PLEDGE, ASSIGN CORPORATION PROPERTY.** To mortgage, pledge, assign or otherwise encumber properties of the Corporation, whether real or personal, as collaterals for credit accommodations extended by the Bank.

7. **APPOINT AND CONSTITUTE ATTORNEY-IN-FACT.** The Corporation appoints and constitutes the Bank as its attorney-in-fact, with full powers of substitution, to register the lease, sale, mortgage, pledge, assignment and/or encumbrance as well as cancellation thereof, including the payment of any taxes such as but not limited to capital gains, creditable withholding tax(es), documentary stamp taxes, to receive the Certificate Authorizing Registration (CAR), transfer and/or reclassification of the necessary tax declaration(s), to file request for the conversion of non-PHILARIS manually issued title over the mortgaged property(ies) to electronic PHILARIS title with any and all appropriate government offices/agencies. The power of attorney given by the Corporation is coupled with interest and is irrevocable until all obligations secured by the aforementioned properties of the Corporation are fully paid to the entire satisfaction of the Bank.

RESOLVED, FURTHER, that any two (2) of the following officers of the Corporation, provided that at least one (1) of the signatories is a principal signatory,

NAME	POSITION	SIGNATURE
<u>Principal</u>		
Ricardo Manuel M. Sarmiento	President/CEO	_____
Stephanie Nicole S. Garcia	EVP Corporate Management Services/Treasurer	_____
<u>Secondary</u>		
Reynaldo D. Ortega	SVP/General Manager for Poultry and Foods	_____
Alicia G. Danque	Corporate Planning Manager	_____

shall be authorized on behalf of the Corporation to enter into the above-specified arrangements with the Bank under such terms and conditions as the said individuals may deem necessary and

to accordingly execute, sign, deliver and/or perform any and all contracts, instruments, documents, or writing with or to the Bank that may be necessary for the implementation of the foregoing transactions. Provided, further, that the aforementioned officers are hereby authorized with full powers of substitution, to receive, for and on behalf of the Corporation any and all of the mortgaged/pledged/assigned and/or encumbered property/ies of the Corporation upon full payment to the entire satisfaction of the Bank of the obligations secured thereby.

“RESOLVED, that all transactions, warranties, representations, covenants, dealing and arrangements by the Corporation through the above-named individuals with the Bank prior to the approval of this Resolution are all hereby approved, confirmed and ratified to be the valid and binding acts, representations, warranties, and covenants of the Corporation as they may lawfully do or cause to be done by virtue of FURTHER, that the Corporation hereby ratifies and confirms all that the Representatives may lawfully do or cause to be done by virtue of authorities given to them;

“RESOLVED, FINALLY, that the foregoing Resolutions shall remain valid and subsisting unless otherwise revoked or amended in writing by the Corporation and duly served on the Bank.”

January 23, 2019

RESOLUTION NO. 2019-03

“RESOLVED AS IT IS HEREBY RESOLVED, that the Corporation be as it is hereby authorized to amend Resolution No. 2018-41 to read as follows:

“RESOLVED AS IT IS HEREBY RESOLVED, that the Corporation be as it is hereby authorized to open an account with Security Bank Corporation (“the Bank”), in the name and for the use of the Corporation; that all moneys, checks, or other funds of the Corporation be deposited in said Bank and that until otherwise ordered, said Bank be and it hereby is authorized to make payments from the funds of this Corporation on deposit with it upon and according to the check of this Corporation, or allow withdrawal of funds therefrom in case of savings accounts by way of withdrawal slips, in either case, signed by any two (2) of the following officers, provided that at least one of them is a principal signatory:

NAME	POSITION	SPECIMEN SIGNATURE
<i>Principal:</i>		
Mr. Ricardo Manuel M. Sarmiento	President/CEO	_____
Ms. Stephanie Nicole S. Garcia	EVP Corporate Management Services/Treasurer	_____
<i>Secondary:</i>		
Mr. Reynaldo D. Ortega	Senior Vice President/General Manager – Poultry and Foods Division	_____
Ms. Alicia G. Danque	Corporate Planning Manager	_____

that said Bank is authorized to receive for deposit or collection any items purporting to be endorsed in the name of the Corporation; that all such checks, drafts, notes, or other negotiable papers endorsed to or signed by this Corporation, as aforesaid, including checks drawn to cash or bearer or to the individual order of any officer of this Corporation, shall be honored and paid by said Bank without inquiry as to whether the same be drawn or required for this Corporation’s business or benefit; and all such payments shall be charged to the Corporation’s account; that the above-mentioned signatory/ies be authorized as authority is hereby given to designate or further authorize a representative to receive the proceeds of funds withdrawn from the Corporation’s account; hereby ratifying and approving all that said Bank may do or cause to be done by virtue hereof;

“RESOLVED FURTHER, that said signatories be as they are hereby authorized to renew, roll-over, amend, revise, convert or substitute, as may be necessary and/or applicable, the above-mentioned

deposits, placements, investments, banking/treasury transactions and other banking services, obtained from Security Bank Corporation;

“RESOLVED LIKEWISE, that the above-mentioned signatories be as they are hereby authorized to apply for and obtain from the Bank, in the name of the Corporation, any of its banking services such as Telebanker and Mobilebanker Products, enroll the corporate bank account(s) in Fund Transfer Facilities (Security Check Protector, Security Maximizer and Security Scheduler), and obtain such other services including, but not limited to, Deposit Pick Up, Cash Delivery and Bills Payment Services, under such terms and conditions as are or may be required by the Bank; to apply for, invest in and/or obtain from the Bank any of its Treasury Products such as, but not limited to, Fixed Income Security, Money Market, Foreign Exchange, and Derivatives (hereinafter referred to as banking/treasury transactions) in the name of the Corporation, subject to such terms and conditions and collateral agreements, if any, as are or may be required by the Bank, consistent with the risk management techniques and systems which the Corporation has in place, sufficient to manage and monitor the risk that the Corporation will take in engaging in derivative transactions;

“RESOLVED FURTHER, that upon enrollment to Funds Transfer Facility, the Bank is hereby authorized to allow and to effect transfers of funds from the Corporation’s deposit account to other accounts within enrolled accounts indicated on the Funds Transfer Application and Maintenance Form or such other documents as may be required by the Bank;

“RESOLVED ALSO, that the Corporation warrants to the Bank that the transfer of funds emanates from valid and legal transactions, and hereby holds the Bank, its officers, employees, agents, assigns, and other authorized representatives, free and harmless from any and all claims which may arise as a result of the authority hereinabove given; hereby ratifying and approving all that the Bank may do or cause to be done by virtue hereof;

“RESOLVED LIKEWISE, that the above-named signatories be as they are hereby authorized to apply for and obtain from Security Bank Corporation, its subsidiaries and affiliates (including but not limited to SBM Leasing, Inc., SB Capital Investment Corporation, SB Cards Corporation), from time to time and in the name of the Corporation, loans and other credit accommodations whether on line or non-line arrangement in such amount and under such terms and conditions and collateral arrangements as are or may be required by the creditor-entity; to pledge, mortgage, assign or otherwise hypothecate any asset of the Corporation as are or may be required therefor, including the execution of guarantees or suretyships; to make availments therefrom for such amounts as said signatories may deem beneficial to the Corporation, even if in excess of the amount of the original line granted to it by the creditor-entity; and to execute, sign and deliver any and all such credit and collateral agreements, Promissory Notes, drafts, import documents, Letters of Credit, Trust Receipts and the like as are or may be necessary for and in connection therewith;

“RESOLVED FURTHER, that said signatories be as they are hereby authorized to negotiate, from time to time, for the renewals, extension, amendments, revisions, restructuring, conversions and/or substitutions of such loans and other credit accommodations;

“RESOLVED ALSO, that said signatories be as they are hereby authorized to execute, sign and deliver any and all such agreements, contracts and other documents as are or may be necessary to implement the foregoing authorities;

“RESOLVED FINALLY, that the foregoing resolutions shall continue and remain in full force and effect until repealed and/or amended by subsequent resolutions of the Board of Directors and appropriate copies thereof served upon and received by the Bank.”

January 23, 2019

RESOLUTION NO. 2019-04

“RESOLVED AS IT IS HEREBY RESOLVED, that the Corporation authorize as it hereby authorizes its Plant Manager for Davao, Mr. Edilberto A. Manuel, to process, claim, and secure the Corporation's Environmental Compliance Certificate (ECC) for its Davao Hatchery, as well as to process the application for and/or renewal of the Corporation’s permits and licenses for the year 2019 with all government offices and agencies and to secure and claim the said business permits and/or licenses;

“RESOLVED FURTHERMORE, that Mr. Manuel be as he is hereby authorized to sign, execute and deliver documents relevant thereto to implement the foregoing authority.”

February 14, 2019

RESOLUTION NO. 2019-05

“RESOLVED AS IT IS HEREBY RESOLVED, that Resolution No. 2019-03, approved on 23 January 2019, be as it is hereby amended to read as follows:

"RESOLVED AS IT IS HEREBY RESOLVED, that the Corporation authorize as it hereby authorizes its Plant Manager for Davao, Mr. Edilberto A. Manuel, or Mr. Pedro (Peter) Gonzalo B. Sereno to process, claim, and secure the Corporation's Environmental Compliance Certificate (ECC) for its Davao Hatchery, as well as to process the application for and/or renewal of the Corporation's permits and licenses for the year 2019 with all government offices and agencies and to secure and claim the said business permits and/or licenses;

"RESOLVED FURTHERMORE, that Mr. Manuel or Mr. Sereno be as any one of them is hereby authorized to sign, execute and deliver documents relevant thereto to implement the foregoing authority."

February 14, 2019

RESOLUTION NO. 2019-06

"RESOLVED AS IT IS HEREBY RESOLVED, that the Corporation authorize as it hereby authorizes its Importation and Trading Manager, Jhunafe Antonio Ruanto, to apply with and secure from the Bureau of Internal Revenue an Authority to Release Imported Goods (ATRIG) for and in behalf of the Corporation;

"RESOLVED FURTHERMORE, that Ms. Ruanto be as she is hereby authorized to sign, execute and deliver documents relevant thereto to implement the foregoing authority."

March 20, 2019

RESOLUTION NO. 2019-07

"RESOLVED AS IT IS HEREBY RESOLVED, that the Corporation remove as it hereby removes Ms. Rowena M. Hocson as one of the signatories for the Corporation's transactions with the banks where it has or it holds an account, including but not limited to Philippine National Bank, Landbank of the Philippines, Philippine Bank of Communications, and Security Bank of the Philippines;

"RESOLVED FURTHERMORE, that the Corporation appoint as it hereby appoints its Corporate Planning Manager, Ms. Alicia G. Danque, as one of its signatories for its transactions with the Bank where it has or holds an account;

"RESOLVED ALSO, that the Corporation be as it is hereby authorized to update its signatories with the banks to reflect the appointment of Ms. Danque in replacement of Ms. Hocson."

March 20, 2019

RESOLUTION NO. 2019-08

"RESOLVED AS IT IS HEREBY RESOLVED, that the Corporation be as it his hereby authorized to close the following accounts of the Corporation with BDO Unibank, Inc.:

- a. Savings Account 002800004629 – BDO Tacloban
- b. Savings Account 000830023046 – BDO Iloilo

"RESOLVED FURTHERMORE, that the Corporation authorize as it hereby authorizes any two (2) of the following officers, to sign, execute and deliver any and all documents necessary to implement the foregoing authority, provided that at least one of the signatories is a principal signatory:

NAME	POSITION	SPECIMEN SIGNATURE
<i>Principal:</i>		
Mr. Ricardo Manuel M. Sarmiento	President/CEO	_____
Ms. Stephanie Nicole S. Garcia	EVP Corporate Management Services/Treasurer	_____
<i>Secondary:</i>		
Mr. Reynaldo D. Ortega	Senior Vice President/General Manager – Poultry and Foods Division	_____

Item 16. Matters Not Required to be submitted

Proof of transmittal to stockholders of the required notice of the meeting will not be submitted for approval by the stockholders.

Item 17. Amendment of Articles of incorporation and By-Laws

During the 2017 ASM, the amendment of Article III of the Articles of Incorporation to reflect the change of address from McArthur Highway to Marilao-San Jose Road, Sta. Rosa I, Marilao, Bulacan was approved by the stockholders.

Subsequently, the amendment of Section 39, Article X of the By-Laws was approved by the Board of Directors to reflect the change of principal address as mentioned above. Since amendment of the By-Laws needs the stockholders' approval, the same is submitted as part of the agenda of the 2018 ASM of the Corporation.

Item 18. Other Proposed Action

Not Applicable

Item 19. Voting Procedures**Section 5, Article I of the Amended By-Laws of the Corporation reads:**

"**Section 5.** At every meeting of the stockholders of the Corporation, every stockholder entitled to vote shall be entitled to one vote for such share of stock standing in his name in the books of the Corporation, provided however, that in case of election of directors, every stockholder entitled to vote shall be entitled to cumulate his votes in accordance with the provisions of law in such case. Every stockholder entitled to vote at any meeting of the stockholders may so vote by proxy provided that the proxy shall have been appointed in writing by the stockholder himself, or by his duly authorized attorney. The instrument authorizing a proxy to act shall be filed with the Secretary of the Corporation not later than ten (10) days, and shall be validated not later than five (5) days, prior to the scheduled stockholders' meeting. Unless otherwise provided by law, at any meeting of stockholders the presence of the holders on record of a majority of the stock of the Corporation then issued and outstanding and entitled to vote, represented in person or by proxy, shall constitute a quorum for the transaction of business, and in the absence of quorum, the stockholders attending or represented at the time and place at which such meeting shall have been called, or the officer entitled to preside over such meeting may adjourn such meeting. When a meeting of stockholders is adjourned to another time and place, it shall not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which adjournment is taken. At the reconvened meeting, any business which might be transacted on the adjourned meeting may be taken up. (As amended on 25 March 1998.)"

The ratification of the acts of the Board of Directors and the Corporation's officers and the approval of the minutes of the Stockholders' Meeting requires the affirmative vote of a majority of the stockholders present and constituting a quorum during the Stockholders' Meeting of the Corporation.

For purposes of electing the members of the Board of Directors, the stockholders entitled to vote personally or by proxy, may adopt the cumulative method of voting the shares recorded in their names. The votes shall be counted by raising of hands or viva voce. Should there be a demand by a stockholder, the votes shall be counted and tallied after they are cast. This shall be done by representatives from the auditing firm of Reyes Tacandong & Co. who shall be available to entertain clarifications from the stockholders relating to the counting of votes.

Pursuant to SEC Memorandum Circular No.12 Series of 2002, the Corporation has created the Nomination Committee composed of the following:

Chairman: Manuel D. Escueta
Members: Vicente J.A. Sarza
Ricardo Manuel M. Sarmiento
Stephanie Nicole S. Garcia
Levi F. Diestro
Benjamin I. Sarmiento, Jr.
Jose Vicente C. Bengzon, III

who pre-screened and short-listed the nominees for the two (2) independent directors and regular members of the Board of Directors. The guidelines for nomination and the qualifications of the nominees have been set by the Committee. The Nomination Committee selected Messrs. Mr. Manuel D. Escueta and Mr. Vicente J.A Sarza as the two (2) nominees for independent directors.

PART II.

INFORMATION REQUIRED IN A PROXY FORM

Item 1. **Identification**

This proxy is being solicited by the Corporation. The Vice Chairman of the Board of Directors and the President of the Corporation or in his absence, the Chairman of the Board of the Corporation, or in his absence, the presiding officer of the meeting will vote the proxies at the Annual General Meeting to be held on June 28, 2019, at 2:00 pm at 2nd Floor Precisione Bldg. Vitarich Compound Marilao-San Jose Road, Sta. Rosa I, Marilao, Bulacan.

Item 2. **Instruction**

- (a) The proxy form must be completed, signed and dated by the stockholder and received by the Corporation on or before June 17, 2019 at the following address:

Vitarich Corporation
Vitarich Corporation
Marilao-San Jose Road, Sta. Rosa I
Marilao, Bulacan

- (b) In case of a corporate stockholder, the proxy must be accompanied by a corporate secretary's certificate quoting the board resolution authorizing the relevant corporate officer to execute the proxy for the corporate stockholder.
- (c) Validation of proxies will be done by the Special Committee of Election Inspectors on June 21, 2019.
- (d) The manner in which this proxy shall be accomplished as well as the validation hereof shall be governed by the provisions of Rule 20, Section 11(b) of the SRC IRR.
- (e) The stockholder executing the proxy shall indicate the manner by which he wishes the proxy to vote on the matters in (1) and (2) below by checking the appropriate box. Where the boxes (or any of them) are unchecked, the stockholder executing the proxy is deemed to have authorized the proxy to vote "FOR" the items below.

The proxy form states:

"The undersigned hereby appoints Ricardo Manuel M. Sarmiento, President & Chief Executive Officer, as his/her/its proxy with full power of substitution and delegation or in his absence, the Chairman of the Board of the Corporation, or in his absence, the presiding officer of the meeting, as the proxy of the undersigned, to represent and vote all of the shares of common stock of the undersigned at the Annual Stockholders' Meeting of the Corporation to be held on June 28, 2019, at 2:00 pm and at any and all adjournments or postponements thereof, for the matters to be taken up in the meeting are as follows:

1. Call to order;
2. Certification of notice to the stockholders and the presence of a quorum to do business;
3. Approval of the minutes of the previous annual meeting;
4. Report of the President on the operations and financial statements of the Corporations;
5. Confirmation and ratification of the acts of the Board of Directors and officers;
6. Election of directors;
7. Appointment of the external auditor;
8. Appointment of the stock and transfer agent;
9. Other matters; and
10. Adjournment

Date of Proxy

Signature over Printed Name

Item 3. Revocability of Proxy

Any stockholder who executes the proxy enclosed with this statement may revoke it at any time before it is exercised by submitting to the Corporate Secretary a written notice of revocation not later than the start of the meeting or by attending the meeting in person.

Item 4. Persons Making the Solicitation

The solicitation is being made by the Management of the Corporation. No director of the Corporation has informed the Corporation in writing that he intends to oppose an action intended to be taken up by the Management of the Corporation at the Annual Stockholders' Meeting.

Solicitation of proxies shall be made through the use of mail or personal delivery. The Corporation will shoulder the cost of solicitation involving reproduction and mailing of this proxy in an estimated amount of P50,000.00 more or less.

Item 5. Interest of Certain Persons in Matters to be Acted Upon

No director, officer or associate of any of the foregoing has any substantial interest, direct or indirect, by security holdings or otherwise, on the matter to be acted upon at the Annual General Meeting to be held on June 28, 2019.

Undertaking

The Corporation undertakes to provide, without charge to each security holder, on the written request of any such person, a copy of the Corporation's annual report on SEC Form 17-A. Such written request shall be addressed to:

Mr. Ricardo Manuel M. Sarmiento
President / CEO
Vitarich Corporation
Vitarich Corporation Compound
Marilao-San Jose Road, Sta. Rosa I, Marilao-Bulacan


At the discretion of the management of the Corporation, a charge may be made for reasonable expenses incurred to reproduce the exhibits to such report.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VITARICH CORPORATION
Issuer

June 4, 2019
Date


ATTY. MARY CHRISTINE DABU-PEPITO
Assistant Corporate Secretary
Compliance Officer/Corporate Information Officer

MANAGEMENT REPORT
PART I - BUSINESS AND GENERAL INFORMATION

Item 1. BUSINESS

Vitarich Corporation was incorporated and organized in 1962. The brothers Feliciano, Lorenzo and Pablo Sarmiento established the forerunner of Vitarich in 1950, when they founded Philippine American Milling Co. Inc. (PAMCO). PAMCO eventually moved from its original location to a more modern feed plant in Marilao, Bulacan. This move marked the beginning of Vitarich's fully integrated operations and the trade name "Vitarich" was subsequently adopted.

In 1962, after PAMCO acquired additional machinery and equipment to increase capacity, the Corporation was registered with the Securities and Exchange Commission (SEC) under the name "Vitarich Feedmill, Inc." The Corporation entered the poultry business and built an experimental poultry farm. In the years that followed, the Corporation entered into agreements with U.S. companies Cobb International and Babcock Poultry Farms for the exclusive franchise and distributorship of Cobb broiler and Babcock layer breeds respectively in the Philippines. The Corporation's corporate life has been extended for another fifty years starting on July 31, 2012.

By the early 1970s, the Corporation further expanded its operations and extended its vertical integration by acquiring dressing plants and cold storage facilities. In 1981, the Corporation expanded outside Luzon by setting up the Davao satellite feedmill. The following year, the Corporation increased its feedmilling capacity in Marilao, Bulacan and at the same time, started operating its Cagayan De Oro feedmill and hatchery. Subsequent areas of expansion in the Visayas included the cities of Iloilo and Bacolod.

In 1988, the Corporation entered into a joint venture agreement with Cobb-Vantress, Inc. (CVI) (formerly Cobb International Inc.) and formed Breeder Master Inc. (BMI) (formerly Phil-American Poultry Breeders, Inc.) to engage in the production of day-old parent stocks. CVI is 100% owned by Tyson Foods, Inc., the world's largest chicken Company. BMI, which is currently known as Cobb Vantress Philippines, Inc., is a domestic corporation, which was 80% owned by Vitarich and 20% owned by CVI.

In 2002, the Corporation decided to dispose of its investment in BMI and agreed to pay its liabilities to BMI by returning all of its shares of stocks to BMI. Thus, on February 12, 2003, the Corporation entered into a Memorandum of Agreement (MOA) with BMI and CVI, the minority shareholder of BMI. Under the MOA, the capital investment of Vitarich in BMI will be returned in payment of Vitarich outstanding liability to BMI. This will leave CVI as the sole shareholder of BMI.

On May 31, 2007, The Regional Trial Court of Malolos, Bulacan (Rehabilitation Court) approved the Company's proposed Rehabilitation Plan (Plan). The implementation of the Plan resulted mainly in the restructuring of Company debt aggregating P3.2 billion (at original amount) resulting to longer payment terms and the lowering of interest.

On March 30, 2012, the SEC approved the extension of its corporate life for another 50 years. The Company's shares of stock were registered with the Philippine Stock Exchange on February 8, 1995.

On October 16, 2013, the SEC approved the Company's increase in authorized capital to P3.5 billion and the conversion of Company debts amounting to P2.4 billion to Kormasinc, Inc. (Kormasinc) into equity at 1 share of common stock for every P1.00 debt. Of the converted debt, P90.0 million was applied as payment for 90,030,236 shares from unissued shares and P2.3 billion was applied as payment for additional shares from the increase in authorized capital.

With the debt to equity conversion and significant improvement in the Company's operations, the Regional Trial Court of Malolos, Bulacan (the Rehabilitation Court) approved the Company's exit from Corporate Rehabilitation on September 16, 2016.

On June 30, 2017, the Company's stockholders approved the Company's plan to undergo a Quasi-reorganization. The Company will reduce the par value of the Company share and the existing additional paid-in capital and outstanding revaluation surplus will be applied to eliminate the Company deficit of P2.2 billion as at December 31, 2017. The Company, however, has yet to submit the necessary requirements to the SEC as at December 31, 2017.

On July 26, 2017, the BOD and Stockholders of PFCI approved the shortening of the corporate life of PFCI until March 31, 2019. PFCI which has ceased operations since 2005, was placed under the liquidation process. The Company deconsolidated PFCI and recognized a gain of P28.2 million on deconsolidation.

On December 22, 2017, the SEC approved the debt to equity conversion of the remaining payable of P407.1 million to Kormasinc at P1.52 a share increasing Kormasinc's ownership interest from 69.20% to 71.90%.

The registered principal place of business of the Company is located at Marilao-San Jose Road, Sta. Rosa I, Marilao, Bulacan. The Company has operating offices in Luzon, Iloilo and Davao, and maintains satellite offices in Southern Philippines.

SUBSIDIARIES

Gromax, Inc. is a wholly owned subsidiary of Vitarich, which started commercial operation in January 1996. Previously, Gromax was a division of Vitarich, which was spun off to a separate entity. Gromax was registered with SEC on November 10, 1995.

Effective April 1, 2015, the operations of Gromax, manufacturing animal health and nutritional feeds, was reintegrated into the Company. Specialty feeds supplement the product offering of animal feeds produced by the Company. Pursuant to the reintegration, Gromax transferred all its employees to the Company. Retirement benefits accruing to these employees were transferred accordingly.

Philippine's Favorite Chicken Inc. (PFCI), one of the subsidiaries of Vitarich, entered into distribution agreements in 1995 with America's Favorite Chicken Company (AFC), a Company that operates the Church's Chicken and Popeye's Chicken restaurants in the United States. Under these distribution agreements, PFCI will distribute the paper goods, restaurant supplies, equipment, and food products to Texas Manok Atbp. Inc. (TMA). The latter corporation, which is owned by the Sarmiento family, in turn, entered into a development and franchise agreement with AFC. Under the development agreement between TMA and AFC, PFCI was granted the exclusive right to develop an aggregate of fifty (50) Texas Chicken and fifty (50) Popeye's Chicken restaurants in the Philippines in consideration for territorial and franchise fees payable to AFC as stipulated in the agreements. In addition, a 5% percent royalty fee based on sales is assessed for each franchised restaurant. This royalty is being paid by TMA, the operator of the restaurant.

The franchise agreement allows the PFCI to use the Texas Chicken and Popeye's Chicken trade names, service marks, logos, food formulae and recipes, and other exclusive rights to the proprietary Texas and Popeye's Chicken System.

The development of the restaurants is scheduled over a period of seven years starting in 1995 for Texas Chicken and 1996 for Popeye's. The franchise agreement shall be for a period of ten (10) years for each restaurant unit, renewable for four additional periods of five years each, at the option of the franchisee. However, PFCI, in 2000, lost its right to develop Popeye's Chicken in the Philippines.

On October 1, 1998, the Board of Directors of PFCI approved the conversion into equity of the advances of Vitarich Corporation to PFCI amounting to ₱165 million to be applied to its unpaid subscriptions and for additional shares of stock of PFCI. Out of the ₱165 million advances to be converted into equity, ₱25 million was applied to Vitarich's unpaid subscription while the remaining ₱140 million was shown under Deposit on Future Stock Subscriptions account pending the approval from the SEC of the conversion.

In 2003, PFCI reverted the investment in shares of stock in PFCI to Advances to subsidiaries amounting to ₱140 million, as the Board of Directors of PFCI decided not to pursue its application with the SEC to convert into equity the advances received from Vitarich. PFCI initially recorded the transaction as an increase in investment in shares of stock in PFCI and a decrease in advances to subsidiaries when the Board of Directors of PFCI approved the proposed conversion in 1998.

AFC unilaterally terminated its development and franchise agreements with PFCI in 2001. As a result, in August 2001, PFCI and TMA filed a case against AFC and some of AFC's officers, such as Tom Johnson, Anthony Pavese and Loreta Sassen, among others, for undue termination of the development and franchise agreements with the Regional Trial Court of Pasig City, docketed as Civil Case No. 68583. The case called for injunction, specific performance, sum of money, and damages against AFC and some of its officers.

In connection with such legal action, in 2001, PFCI recognized as claims receivable, as of December 31, 2001, certain losses arising from the closure of certain Texas Chicken restaurants and legal fees incurred relating to the case filed against AFC. Losses recognized as claims receivable include, among others, the loss on write-off of leasehold and building improvements relating to the closed stores. The total amount recognized as claims receivable (presented as part of Other Non-current Assets account in the condensed interim consolidated balance sheets) totaled ₱23.2 million as of December 31, 2001.

The Regional Trial Court of Pasig City, in a decision dated April 3, 2002, approved the issuance of a preliminary writ of attachment on the properties of AFC in the Philippines upon posting of PFCI and TMA of a bond amounting to ₱100 million. Management believed that this case would be settled in favor of the PFCI and TMA.

On September 24, 2003, the trial court granted the Motion to Dismiss filed by two of the defendants. PFCI, in turn, filed a Motion for Partial Reconsideration of the order. Moreover, AFC has filed a Petition for Certiorari before the Court of Appeals assailing the validity of the trial court previously issued writ of attachment.

On December 22, 2004, the parties have entered into a compromise agreement for the settlement of the case of which the parties have filed a joint motion to dismiss before the Regional Trial Court of Pasig City, Branch 152.

On March 4, 2005, the Regional Trial Court of Pasig City, Branch 152 had approved the Joint Motion to Dismiss filed by the parties based on the Compromise Agreement entered into by them, thus, putting an end to the case.

In 2005, the Company discontinued operations of its Texas Manok's Restaurants. Accordingly, it terminated all its employees and provided full valuation allowances on all its remaining assets.

Although the BOD and stockholders have not yet formally adopted a plan to liquidate the Company, the financial statements are presented under the liquidation basis of accounting to appropriately reflect the significant changes in the Company's status of operations.

BUSINESS OF ISSUER

Business Segments and Product Distribution

For management purposes, the Company is organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The industry segments where the Company operates are as follows:

- a. The Food segment is engaged in the growing, production and distribution of chicken broilers, either as live or dressed. Its products are distributed to wet markets and supermarkets.
- b. The Feeds segment caters to the feed requirement of the poultry growers industry. It is engaged in the manufacture and distribution of animal and aqua feeds, animal health and nutritional products, and feed supplements.
- c. The Farms segment is involved in the production of day-old chicks and pullets.
- d. The Corporate and Others segment includes general and corporate income and expense items which are not specifically identifiable to a particular segment.

Competition

Although the Corporation is focused on the chicken and feed industry, it faces competition from several sources by virtue of its integrated operations. The Corporation intends to strengthen its competition by establishing objectives and strategic plans to effectively compete with other integrators not only for consumers of its products but also for production resources such as contract growers. The Corporation competes based on product performance.

Principal competitors of the Company are San Miguel Corporation (B-Meg), UNAHCO, URC, Feedmix, Tateh, and Hocpo for the feed business. Key players in chicken business are San Miguel Corporation (Magnolia) and Bounty.

Given its vision to serve its customers with effective technical and marketing support, the Company allotted resources to the research and development of production process improvements and product value enhancement.

Sources of Raw Materials

The raw material components of feeds represent the most significant cost component of the Company's operations. Major raw materials of the feed business of the Company are corn, wheat, soya, and rice bran. The Company purchases these materials locally from traders. There are also times that the Company imports these materials from Australia, North and South America, India, and Pakistan. It is also continuously undertaking programs to substitute traditional grains with materials considered as by-products. High cost of major raw materials such as wheat, corn, oil and soybean meal makes it imperative for the Company to source alternative (and non-traditional) raw materials such as food by-products and other protein sources.

The registrant is not dependent on, nor has any major existing supply contract, with one or a limited number of its suppliers for the purchase of essential raw materials.

Customers

The Company has various customers from all product lines and is not dependent on a single or few customers. The loss of one or two of its customers does not have any adverse material effect on its operations. No customer of the Corporation accounted for 20% of its sale. The Corporation has existing sales contracts with business partners and customers in the normal and regular business transactions.

Trademarks, Royalty and Patents

Devices and logo being used by the Company are registered with the Intellectual Property Office to wit:

	Date Registered
• Vitarich and Devices	November 11, 2010
• Aqua V-Tech and Logo	January 20, 2011
• Gromax Incorporated and design	July 07, 2011
• Cook's Golden Dory all fresh all natural and device	January 14, 2015

The registration is renewable for another ten (10) years. The Company does not hold any other patent, trademark, franchise, concession or royalty agreement.

Certification

Since 1999, the Corporation's Marilao – Feed Mill plant has been consistently complying and maintaining the certification with the ISO 9001 Quality Management System (QMS) through passing the rigid periodic surveillance audits by Certification International (CI). Such system enabled the Corporation to establish procedures that cover all key processes in the business, monitoring process to ensure that they are effective, keeping adequate records, checking output for defects with appropriate corrective actions, regularly reviewing individual processes and the quality system itself for effectiveness, thus facilitating continual improvement.

In 2007, the Corporation's commitment toward consistent product quality and safety was further strengthened when the three Company-owned feed mill facilities in Luzon, Visayas and Mindanao were certified with the International Organization for Standardization (ISO) for quality and feed safety management systems such as the ISO 9001: 2000 for Quality Management System (QMS) integrated with Hazard Analysis and Critical Control Points (HACCP) for the Luzon feed mill plant and ISO 22000:2005 Food Safety Management System (FSMS) for the Visayas and Mindanao feed mill plants. The Corporation has adopted and implemented preventive approaches to product safety that address physical, chemical and biological hazards in various aspects of feeds manufacturing along with the process and product inspection

On November 20, 2013, the Governing Board of Certification International Philippines, Inc. has re-certified the Corporation's Feedmill Plant in Luzon as conforming to ISO 9001:2008 and HACCP systems under Certification Nos. CIP/3999Q/07/10/544 and CIP/3999H/07/10/544, respectively.

At present, the Corporation is continuously complying and maintaining the requirements of the standards for Iloilo and Davao Feed Mill Plants. However, the Company disposed off its feed mill plant located in Marilao, Bulacan in 2014 to further reduce the debt and to generate necessary working capital.

Government Regulations and Approval

Compliance with environmental laws enhances good community and industry relationship and provides assurance to employees of their health and safety, thereby freeing Vitarich from violations and penalties.

Aside from compliance with the environmental laws, the Corporation also needs government approval for its principal products and services from the Bureau of Animal Industry (BAI) and the National Meat Inspection Services (NMIS) for the registration of its feedmill, accreditation of chemical laboratory, accreditation of meat plant, cold storage, respectively, that will all ensure that only safe and wholesome products reach the consumers. The Corporation is also required to secure all applicable permits from the Environmental Management Bureau (EMB) of the Department of Environment and Natural Resources (DENR) – for its feedmill plant, dressing plant, rendering plant and hatcheries.

The Corporation and its subsidiaries have obtained all necessary permits, licenses and government approvals to manufacture and sell their products.

The Corporation and its subsidiaries have no knowledge of recent or impending legislation, the implementation of which can result in a material adverse effect on the Corporation and its subsidiaries' business or financial condition.

Research and Development

The Company's research and development are centrally organized under the Research and Development Department to focus on the following core activities:

- Product Quality
- Research and Development
- Animal Nutrition

A Research and Development Manager directs these activities, which generally include the following:

- Animal nutrition
- Diagnostic laboratory services
- Feeds and feeds quality control
- Poultry genetic research
- New product development
- Technical extension services for contract breeders, growers and sales clients

In January 2001, the renovated Research Center of the Corporation was inaugurated. This upgraded the chemical laboratory capability and further improved the analysis procedure. Duration for analyzing was shortened through the acquisition of modern laboratory equipment.

The Chemical Laboratory handles most of the laboratory services needed for feed processing, from raw material analyses to finished products tests. The Diagnostic Laboratory handles all the laboratory support related to feed and food safety as well as the surveillance, prevention, and diagnosis of diseases to ensure health maintenance of livestock.

To ensure that its edge in the reliability and accuracy of its analysis is kept, equipment are continuously upgraded, i.e. the LECO protein analyzer, Atomic Absorption Analyzer for Macro and trace minerals including heavy metals. The new acquisition of the ICP (Inductively Coupled Plasma) which can analyse complex minerals and heavy metals simultaneously. The Gas Chromatograph capable of accurately determining fatty acid as well as Volatile Fatty Acids and Hormones. The NIR (Near InfraRed System) capable of determining proximate analysis including amino acids in a very short amount of time. Upgrading of the Fat Extractor, Kjehl Protein Analyzer and the Ankom Fiber Analyzer Unit. Active Water and Moisture Analyzer units for the stability testing of the finished product as well as maintenance of quality for raw materials. UV Vis Equipment for Mineral and Enzyme analysis. Additional Serological tests including Avian Influenza virus as well as Eliza based Swine serological was instituted to serve the growing demand of the consumers.

For research and development activities, the Corporation spent P10.57M in 2018, P4.4M in 2017, P4.88M in 2016, P3.13M in 2015, P3.68M in 2014 and P3.02M in 2013.

Cost and Effects of Compliance with Environmental Laws

The Company generally complies with all environmental laws and regulations implemented by the Environmental Management Bureau of the Department of Environment and Natural Resources and invest appropriately to ensure compliance.

To ensure that its facilities are compliant with existing environmental laws, the Company implemented the following activities:

1. Ambient air testing of the surrounding areas of the plant, i.e., NESW, which incurred P5,000 together with noise monitoring in the said stations. With favorable results, the plant is in compliance with the Standards of the Clean Air Act of the Philippines. This ensures emissions such as particulate matter coming from the plant do not adversely affect the environment.
2. Stack emission testing of boilers to ensure that the gases being emitted during operation of the boilers are within the Standards of the Clean Act of the Philippines. For Davao plant, a 3rd party tester has been tapped for ambient air testing and emission testing for Plant 1 boiler and Plant 2 boiler and power generator. Total cost is estimated at PhP 145,600.
3. Regular monitoring of the final discharge of wastewater from our plants, ensuring that water discharge from our operation are within the regulatory standards set by the Clean Water Act. Iloilo Plant has received its waste water discharge permit from DENR last January 2019 with August 2019 expiration. We also sent water samples for analysis at the cost of PhP 4,800.00 and awaiting results.
4. In view of the warehouse expansion projects, Iloilo warehouse has been issued with the Environmental Compliance Certificate (ECC -EPRMP) by the Environmental Management Bureau of the Department of Environment and Natural Resources Region 6 last August 15, 2018. Processing cost is PHP10,000.
5. Regular repair and maintenance of facilities and pollution control facilities attached to ensure good operating conditions and thereby prevent/control pollution coming from the plant.
6. Continuous improvement of pollution control devices and/or equipment to meet regulatory Standards.
7. Annual renewal of Permits from DENR-EMB is secured. Cost varies for each plant ranging from P1,000 to 10,000.

Manpower Complement

As of December 31, 2018, the Corporation and its subsidiaries have a total number of 1,040 employees composed of supervisors, managers, executives and rank and file, with 563 regulars and 477 contractual. The Corporation has a collective bargaining agreement with the union representing the Corporation's rank and file employees.

The Federation of Free Workers - Vitarich Corporation Employees / Workers Union Chapter (FFW – VEWU) is the duly authorized collective bargaining agent that represents all rank and file employees of the Corporation. On November 25, 2015, the Corporations signed a five-year Collective Bargaining Agreement that took effect on August 1, 2015 to July 31, 2020.

There are no issues pertaining to labor unrest.

Pension Costs/Retirement Benefits

The Company maintains a partially funded, noncontributory post-employment defined benefit plan covering all of its regular full-time employees. The defined benefit plan is being administered by a trustee bank which is responsible for the administration of the plan assets and for the definition of the investment strategy. The Company's retirement benefits are based on years of service and one and one-fourth month's salary for every year of continuous service.

The plan is exposed to interest rate risks and changes in the life expectancy of qualified employees. The plan is not exposed to significant concentrations of risk on the plan assets.

Actuarial valuations are made periodically to update the retirement liability and the amount of contributions. The latest actuarial valuation of the plan is as at December 31, 2018.

Pursuant to the reintegration of the Gromax's business to the Company, effective April 1, 2015, Gromax transferred its employees to the Company. Retirement benefits accruing to these employees were transferred to the Company, accordingly.

Financial Risk Management

The Company is exposed to a variety of financial risks which result from its operating, financing and investing activities. The Company's overall risk management program focuses on the unpredictability of the markets and seeks to minimize potential adverse effects on the Company's performance.

The Company does not engage in the trading of financial assets for speculative purposes nor does it write options. The financial risks, which the Company is exposed to, are described below and in the succeeding pages.

Foreign Currency Risk

To a certain extent, the Company has an exposure to foreign currency risks as some of its raw materials purchases are sourced outside the Philippines and are therefore denominated in foreign currencies. However, the Company has not yet experienced significant losses due to the effect of foreign currency fluctuations since purchases denominated in foreign currency are kept at a minimum.

Interest Rate Risk

As at December 31, 2018 and 2017, the Company has no significant floating rate financial assets or liabilities. The Company's operating cash flows are substantially independent of changes in market interest rates.

The Company has no borrowings that carry variable interest rates, which released the Company from any cash flow interest rate risk.

Credit Risk

Generally, the maximum credit risk exposure of the financial assets is the carrying amount of the financial assets.

The Company continuously monitors defaults of counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. Where available at a reasonable cost, external credit ratings and/or reports on counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

The Company's trade and other receivables are not exposed to a concentration of credit risk as the Company deals with a number of customers. The trade and other receivables are actively monitored and assessed, and where necessary an adequate level of provision is maintained. In addition, to minimize credit risk, the Company requires collateral, generally land and real estate, from its customers.

The Company's management considers that trade and other receivables that are not impaired nor past due for each reporting periods are of good credit quality

The Company's basis in grading its neither past due nor impaired financial assets is as follows:

High grade: ratings given to counterparties with strong to very strong capacity to meet its obligations.

Standard grade: ratings given to counterparties with average capacity to meet its obligations.

Liquidity Risk

The Company manages its liquidity profile to be able to service its long-term debt as these fall due by maintaining sufficient cash from operations. The Company maintains cash to meet its liquidity requirements for up to 30-day periods.

Price Risk

The Company is exposed to commodity price risk as the raw materials of its main products are subject to price swings. The Company's management actively seeks means to minimize exposure to such risk.

Item 2. PROPERTIES

The Corporation operates and/or leases numerous production facilities, which include feed mills, dressing plants, and hatcheries. As of December 31, 2018, these facilities include the following.

	Condition	Remarks
Feed Mill		
Luzon	Good	Toll
Visayas	Good	Owned
Mindanao	Good	Owned/Toll
Dressing Plant		
Luzon	Good	Toll
Visayas	Good	Toll
Mindanao	Good	Toll
Hatchery		
Luzon	Good	Toll
Visayas	Good	Toll
Mindanao	Good	Toll

The Corporation will only consider any project, which is critical to its continued operations and likewise that which will generate substantial cost savings and higher return of investment.

Item 3. LEGAL PROCEEDINGS

On 28 July 2017, the Court of Appeals granted Vitarich Corporation's partial appeal respecting the remaining claim of P247.7M, exclusive of interests, against Charter Ping An Insurance Corporation. The Court of Appeals remanded the case to the Regional Trial Court of Malolos, Bulacan for further proceedings insofar as the remaining claim of Vitarich Corporation is concerned. Charter Ping An Insurance Corporation subsequently elevated the case by way of Petition for Review on Certiorari under Rule 45 to the Supreme Court, which denied the same outright. Charter Ping An filed a Motion for Reconsideration which is currently pending.

Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

There were no matters submitted to a vote of security holders during the calendar year covered by this report.

PART II – OPERATIONAL AND FINANCIAL INFORMATION

Item 5. MARKET FOR REGISTRANT’S COMMON EQUITY AND RELATED STOCKHOLDERS MATTERS

The registrant’s common equity is principally traded in the Philippine Stock Exchange (PSE). The high and low sales prices for every quarter ended are indicated in the table below:

	2017		2018		2019	
	High	Low	High	Low	High	Low
1st Quarter	0.70	0.71	2.02	1.91	1.72	1.66
2nd Quarter	0.79	0.75	2.64	2.55		
3rd Quarter	0.68	0.65	2.08	2.04		
4th Quarter	1.99	1.87	1.99	1.90		

The closing price of the Corporation’s common shares as of the last trading date – December 28, 2018 was P 1.99 per share.

As of March 31, 2019, the latest trading date prior to the completion of this annual report, sales price of the common stock was at P1.70 / share.

There are no securities to be issued in connection with an acquisition, business combination or other reorganization.

Sales of Unregistered Securities

On November 23, 2017, Vitarich Corporation agreed to issue 267,836,113 unissued but existing common shares to Kormasinc, Inc.'s due to the conversion of the latter's credit of P407,110,891.00 into equity of the Corporation. On December 22, 2017, the Securities and Exchange Commission approved the valuation of 267,836,113 shares.

Holders

The Corporation has only one class of shares i.e., common shares. The total number of stockholders as of March 31, 2019 is 4,145 and the total number of shares outstanding on that date was 3,054,334,014.

	as of March 31, 2019	Dec 2018	Dec 2017
Number of Issued & Outstanding Shares	3,054,334,014	3,054,334,014	2,786,497,901
Number of Stockholders	4,145	4,155	4,186
Number of Shares owning at least one board lot each	3,140	3,149	3,180

Total public ownership shares as of March 31, 2019 is 26.53%. The Company's Filipino-Foreign equity ownership as of March 31, 2019 is as follows:

	<u>No. of Shares</u>	<u>% Ownership</u>
Shares owned by Filipino	2,837,975,572	93%
Shares owned by Foreigners	216,358,442	7%
Total	3,054,334,014	100%

Listed below are the top 20 stockholders of the Corporation as of March 31, 2019:

Name of Stockholders	Number of Shares	Percent to Total Outstanding Shares
1 PCD NOMINEE CORPORATION (FILIPINO)	2,818,490,074	92.28%
2 PCD NOMINEE CORPORATION (NON-FILIPINO)	215,521,942	7.06%
3 YAZAR CORPORATION	1,402,520	0.05%
4 JOSE M. SARMIENTO	1,305,320	0.04%
5 MA. LUZ S. ROXAS	1,305,320	0.04%
6 MA. VICTORIA M. SARMIENTO	1,305,320	0.04%
7 GLICERIA M. SARMIENTO	690,000	0.02%
8 NELIA CRUZ	527,850	0.02%
9 ROGELIO M. SARMIENTO	290,000	0.01%
10 ANTONIO S. RAAGAS	270,000	0.01%
11 BETINA ANGELINA I. SARMIENTO	228,510	0.01%
12 NORBERTO T. HOFELENA	220,778	0.01%
13 GLADY Y. LAO	215,000	0.01%
14 BERNAD SECURITIES, INC.	203,000	0.01%
15 DANIEL J. ADVINCULA	200,000	0.01%
16 ORLANDO P. CARVAJAL	185,000	0.01%
17 TERESITA Y. SARMIENTO	164,000	0.01%
18 LORENZO S. SARMIENTO	141,134	0.00%
19 BIENVENIDO LIM	140,000	0.00%
20 GEORGE CHUA	111,000	0.00%
Others	11,417,246	0.37%
Total Shares Issued and Outstanding	3,054,334,014	100.00%

In 1995, the Corporation declared a cash dividend of P0.10 per share. But for the years 1996 up to 2014, the Corporation did not declare any dividend because of the losses suffered by the Corporation.

Description of Vitarich Shares

Securities of the Corporation consist entirely of common stock with par value of P1.00 per share. All shares are equally eligible to receive dividends and repayment of capital and each share is entitled to one vote at the shareholders' meeting of the Company.

Item 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

RESULTS OF OPERATIONS

Fiscal Year 2018 compared to Fiscal Year 2017

Consolidated sale of goods increased by 27%, from 6.5 billion registered in 2017 to 8.3 billion registered in 2018, driven by strong performance of all product lines.

Sale of goods per business segment is as follows:

- **Food Segment:**
Sale of goods of food segment increased by 39%, from P2.8 billion registered in 2017 to P3.8 billion in 2018 due to higher sales volume and better selling prices of chicken, except in the last quarter of the year.
- **Feeds Segment:**
Sale of goods of feeds segment increased by 16%, from P3.3 billion registered in 2017 to P3.9 billion in 2018 due to expansion of several farm customers.
- **Farms Segment:**
Sale of goods of farms segment increased by 38%, from P412 million registered in 2017 to P570 million in 2018 due to successful recruitment of additional farm breeding and broiler partners.

Cost of goods sold increased by 32%, from P5.8 billion in 2017 to P7.6 billion in 2018 due to higher cost raw materials and high DOC cost. Better efficiency versus last year, however, during the last quarter of the year, the industry experience oversupply of chicken, resulting to gross profit of P612 million, lower by 15% or P110 million.

Operating expenses increased by 6% from P551 million in 2017 to P585 million in 2018 due to higher administrative, selling and distribution expenses. Other operating income of P35 million in 2018 was decreased by 3% as compared to 2017 primarily due to lower rental income.

Other charges decreased by 84%, from P55million in 2017 to P9.1 million in 2018 because no tax compromise settlement and liquidated damages were recognized this year and due to gain on fair value changes of investment properties.

Tax expense decreased by 82% from P29.1 million in 2017 to P5.4 million in 2018.

With the above, the Company posted a Net Income of P65.2 million in 2018, P122.4 million in 2017 which is lower by 47% or P57.2 million.

Fiscal Year 2017 compared to Fiscal Year 2016

Consolidated sale of goods increased by 27%, from 5.1 billion registered in 2016 to 6.5 billion registered in 2017, driven by strong performance of all product lines.

Sale of goods per business segment is as follows:

- **Food Segment:**
Sale of goods of food segment increased by 47%, from P1.9 billion registered in 2016 to P2.8 billion in 2017 due to higher sales volume and better selling prices of chicken.
- **Feeds Segment:**
Sale of goods of feeds segment increased by 13%, from P2.9 billion registered in 2016 to P3.3 billion in 2017 due to expansion of several farm customers.
- **Farms Segment:**
Sale of goods of farms segment increased by 37%, from P301 million registered in 2016 to P412 million in 2017 due to successful recruitment of additional farm breeding and broiler partners.

Cost of goods sold increased by 29%, from P4.5 billion in 2016 to P5.8 billion in 2017 due to higher cost of some raw materials. Better efficiency versus last year, however, helped to partially mitigate the higher raw material prices resulting to a gross profit of P722 million, ahead by P89 million or 14%.

Operating expenses increased by 16% from P474 million in 2016 to P551 million in 2017 due to higher administrative, selling and distribution expenses. Other operating income of P36 million in 2017 decreased by 21% in 2016 primarily due to no recovery of accounts written off.

Other charges decreased by 69%, from P179 million in 2016 to P55 million in 2017 due to higher tax compromise settlement, demurrage on cargo release, and provision of probable losses in 2016.

Tax expense increased by 243% from P8.5 million in 2016 to P29 million in 2017.

With the above, the Company posted a Net Income of P122.4 million in 2017, P104.8 million or 599% higher than 2016 of P17.5 million.

Fiscal Year 2016 compared to Fiscal Year 2015

Vitarich Corporation and its Subsidiaries generated a consolidated sale of goods of P5.1 billion as of December 31, 2016, 48% sales growth over previous year of P3.4 billion. Sale of goods per business segment follows:

- **Food Segment:**
Sale of goods of food segment increased by P652 million or 53%, from P1,222 million registered in 2015 to P1,874 million registered in 2016 due to increased volume of chicken sales.
- **Feeds Segment:**
Sale of goods of feeds segment increased by P867 million or 42%, from P2,059 million registered in 2015 to P2,926 million registered in 2016 due opening new hog and broiler farm customers.
- **Farms Segment:**
Sale of goods of farms segment increased by P137 million or 83%, from P164 million registered in 2015 to P301 million registered in 2016 due to successful recruitment of additional contract breeding partners.

The Company's cost of goods sold consists primarily of raw materials and packaging costs, manufacturing costs, and direct labor costs. Cost of goods sold increased by P1,530 million or 52%, to P4.5 billion in 2016 from P2.9 billion in 2015 due to increase in sales volume of animal and aqua feeds, live and dressed chicken and day old chicks.

Vitarich gross profit for 2016 amounted to P633 million, ahead by P126 million or 25% from P507 million in 2015. Increased gross profit was mainly due to higher sales volume, improved efficiency of poultry and feed operations, improved inventory management and cost savings in operating expenses.

Operating expenses in 2016 of P473 million increased by 12% from P421 million in 2015 due to higher selling and distribution expenses on account of improved sales volume. Other operating income in 2016 of P46 million increased by 21% in 2015 primarily due to recovery of accounts written off.

As a result of the above factors, the Company registered an operating profit of P205 million in 2016, P82 million or 66% higher compared to 2015 of P123 million.

Other charges of P178 million in 2016 were 46% higher than 2015 of P122 million due to tax compromise settlement, demurrage on cargo release, and provision of probable losses.

Tax expense in 2016 increased to P8.5 million versus 2015.

2016 other comprehensive income increased by 6149% compared to 2015.

For the year, the Company incurred a total comprehensive income of P106 million, 1134% higher than 2015 of P8.6 million

Fiscal Year 2015 Compare to Fiscal Year 2014

Vitarich Corporation and its Subsidiaries generated a consolidated sale of goods of P3.4 billion as of December 31, 2015, 46% sales growth over previous year of P2.4 billion. Sale of goods per business segment follows:

- **Food Segment:**
Sale of goods of food segment increased by P428 million or 54%, from P794 million registered in 2014 to P1,222 million registered in 2015 due to increased turnover of poultry volume.
- **Feeds Segment:**
Sale of goods of feeds segment increased by P614 million or 42%, from P1,445 million registered in 2014 to P2,059 million registered in 2015 due to increasing sales from current and new customers.
- **Farms Segment:**

Sale of goods of farms segment increased by P37 million or 29%, from P127 million registered in 2014 to P164 million registered in 2015 due to better supply of day old chick (DOC) volume.

The Company's cost of goods sold consists primarily of raw materials and packaging costs, manufacturing costs, and direct labor costs. Cost of goods sold increased by P754 million or 35%, to P2.9 billion in 2015 from P2.2 billion in 2014 due to increase in sales volume.

Vitarich gross profit for 2015 amounted to P507 million, ahead by P325 million or 178% from P182 million in 2014. Increased gross profit was mainly due to higher sales volume, better selling prices of foods and farm products, perfected farm efficiencies, improved feed production, and lower cost of raw materials.

Operating expenses in 2015 of P421 million increased by 12% from P377 million in 2014 due to higher administrative expenses and selling and distribution expenses. Other operating income in 2015 of P38 million declined by 48% in 2014 primarily due to lower income from tolling operations related to the sale of hatchery properties.

As a result of the above factors, the Company registered an operating income of P123 million in 2015, P246 million or 200% higher compared to 2014 operating loss of P123 million.

Other charges of P122 million in 2015 was 82% lower than 2014 of P689 million.

In 2015 and 2014, the Company's BOD approved the disposal of certain noncore and core property, plant and equipment including its major feed mill and the land where it is located in Marilao, Bulacan. The proceeds were used to further reduce outstanding liabilities and generate needed working capital. In 2015, loss on sale of property, plant and equipment, investment properties and others of P94.6 million decreased by 85%.

- Interest income amounted to P0.17 million in 2015 and P0.53 million in 2014 decreased by 68% (see note 7 of the accompanying consolidated financial statements).
- Allowance for impairment loss was mainly for input VAT of P3.1 million (see note 10 of the accompanying consolidated financial statements).
- Interest expense of P0.22 million was computed on the restructured debt as part of total interest expense in the 2015 consolidated statements of comprehensive income (see note 21 of the accompanying consolidated financial statements).
- The Company recognized fair value gain of P2.8 million in 2015 and fair value loss of P5.4 million in 2014 or 151% reduction (see note 12 of the accompanying consolidated financial statements).

Tax benefit in 2015 decreased by P277.7 million or 97% versus 2014. The components of tax benefit as reported in the consolidated statements of comprehensive income are current tax expenses: MCIT at 2% and deferred tax benefit relating to origination and reversal of temporary differences (see note 20 of the accompanying consolidated financial statements).

2015 other comprehensive income increased by 277% compared to 2014 (see note 18 of the accompanying consolidated financial statements).

For the year, the Company incurred a net income of P8.6 million, 101% higher than the loss of P577.8 million in 2014.

Financial Condition

Total current assets as of December 31, 2018 of P2.7 billion was 35% higher than 2017 of P2.0 billion. Increase in current assets were due to higher receivables, inventories and other current assets.

Noncurrent assets increased from P1.1 billion as of December 31, 2017 to P1.6 billion as of December 31, 2018, which are mainly due to gain on fair value changes and net additions to property, plant and equipment and investment properties.

Current liabilities increased by 52% from P1.6 billion as of December 31, 2017 to P2.4 billion as of December 31, 2018 mainly due to increase in trade and other payables, and short-term loans payable.

Noncurrent liabilities increased by 141% from P178 million as of December 31, 2017 to P429 million as of December 31, 2018 due to higher loans payable, cash bond deposits, net retirement liability, finance lease liabilities and deferred tax liabilities.

The Corporation's top five (5) key performance indicators are described as follows:

	2018	2017
Revenue (Php billion)	8.26	6.50
Cost Contribution (Php billion)	7.64	5.77
Gross Profit Rate (%)	7%	11%
Operating Margin (Php billion)	61	207

1) Sales Volume, Price, and Revenue Growth

Consolidated revenue, composed of food, feed, and farm sales, amounted to P8.3 billion, 27% higher than the same period last year of P6.5 billion.

2) Cost Contribution

This measures the cost efficiency of the products and trend of raw materials prices, particularly importations wherein there are foreign exchange exposures. Costs are analyzed on a regular basis for management's better strategic decisions in cost reduction and efficiency measures.

3) Gross Profit Rate

The review is done on a regular basis to check if the targets are being met based on the forecasted gross profit rate. This is being done on a regular basis for proper and immediate action.

4) Operating Margin

Operating margin is the result after operating expenses are deducted. Review of operating expenses is performed on a regular basis. These are being analyzed and compared against budget, last month and previous years, to ensure that cost reduction measures are being met and implemented.

5) Plant Capacity Utilization

This determines total usage of the plant capacity. The higher the plant utilization, the better the productivity, which translates to better margin.

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

There are no material commitments for capital expenditures.

There are no significant elements of income or loss arising from continuing operations.

There is no known trend, or any demand, commitments, event or uncertainty that will result in or that are reasonably likely to result to Corporation's liquidity increasing or decreasing in any material way.

There are no events that will trigger direct or contingent financial obligation that is material to the Corporation, including any default or acceleration of an obligation.

Item 7. FINANCIAL STATEMENTS

The Consolidated Audited Financial Statement of the Corporation for the year-ended December 31, 2018 including the applicable schedules listed in the accompanying index to financial statements and supplementary schedules are filed as part of this form 17-A.

PART IV – EXHIBITS AND SCHEDULES

EXHIBITS AND REPORTS ON SEC FORM 17-C

(a) Exhibits

The exhibits, as indicated in the Index to Exhibits are either not applicable to the Corporation or require no answer.

(b) Reports on SEC Form 17-C

The following are the items reported under SEC Form 17-C

Date of Report	REMARKS
January 22, 2018	Certificate of Approval of Valuation
January 31, 2018	Resignation and Appointment of Officers (JPD, GBM, RSF and MGGR)
March 6, 2018	Appointment of Reynaldo D. Ortega as SVP & GM and Poultry and Foods Division
March 16, 2018	Appointment of Mr. Josefino A. Tapia Jr. as VP & Supply Chain Director
April 6, 2018	Approval of 2017 Audited Financial Statement
May 21, 2018	Advisement Letter to send Definitive Information Statement thru CD
May 23, 2018	Resignation of Mary Geraldine G. Relativo

May 31, 2018	List of Stockholders entitled to vote 2018
June 29, 2018	Results of Annual General Meeting and Organizational Meeting 2018
July 17, 2018	PSE Notice of Approval Debt-to-Equity Conversion Transaction
January 9, 2019	Appointment of Rhucl S. Diego and Eugene B. Bayta Jr.
January 31, 2019	Clarification of News Report of News5
February 26, 2019	Resignation of Josefino A. Tapia Jr.
March 8, 2019	Resignation of Rufino S. Fermin II

PART V – CORPORATE GOVERNANCE

On May 25, 2017, the Board of Directors approved Vitarich Corporation's Amended Manual on Corporate Governance in compliance with the new Code of Corporate Governance for Publicly Listed Companies. On May 28, 2018, the Corporation filed its Integrated Annual Corporate Governance Report in compliance with SEC Memorandum No. 15, Series of 2017.

Evaluation System to Measure Compliance with Manual to Corporate Governance

There is no particular system presently being applied to measure the Corporation's compliance with the provisions of its Manual on Good Corporate Governance.

The Company has substantially complied with the provisions of its Manual on Corporate Governance. As required by the Commission, a Certification of Compliance with the Manual was submitted in January 10, 2014.

Measures being undertaken to fully comply with the Adopted Leading Practices on Good Corporate Governance

The following are some of the measures undertaken by the Corporation to ensure that full compliance with the leading practices on good governance are observed:

1. Compliance Officer has been designated to monitor compliance with the provisions on requirements of the Corporation's Manual on Corporate Governance;
2. The Corporation has designated an audit committee, and a compensation & nomination committee;
3. The Corporation has elected two independent directors to its Board;
4. The nomination committee pre-screens and shortlists all candidates nominated to become directors in accordance with the qualification and disqualification set up and established;
5. During the scheduled meetings of the Board of Directors, the attendance of each director is monitored and recorded; and
6. The directors & officers were provided copies of the Manual of the Corporate Governance of the Corporation for their information, guidance and compliance.
7. Risk and Governance Committee has been created

Deviation from the Corporation's Manual of Corporate Governance

The Corporation substantially complied with the Corporate Governance Guidelines for Companies Listed on the Philippine Stock Exchange ("Guidelines") for the year 2014.

There is no deviation of any kind from the registrant's Manual of Corporate Governance nor was there any disclosure of the name and position of the person/s involved and sanction/s imposed on any individual.

Any plan to improve corporate governance of the company

The Company will continue monitoring compliance with its Manual on Corporate Governance to ensure full compliance thereto.

PROXY

KNOW ALL MEN BY THESE PRESENTS:

The undersigned stockholder of **VITARICH CORPORATION** the ("Corporation"), hereby:

1. Constitutes and appoints **RICARDO MANUEL M. SARMIENTO** or in his absence, or if there is no proxy specifically designated in the foregoing space, the **CHAIRMAN OF THE BOARD OF THE CORPORATION**, or in his absence, the **PRESIDENT OF THE CORPORATION**, or in his absence, the **CHAIRMAN OF THE MEETING**, as his duly constituted proxy with full power of substitution and appointment, to vote, for and in his behalf, all of the _____ shares of the capital stock of the Corporation registered in the name of the undersigned stockholder in the books of the Corporation, at the Annual Meeting of the Stockholders of the Corporation to be held at **2nd Floor Precisione Bldg. Vitarich Compound Marilao-San Jose Road, Sta. Rosa I, Marilao, Bulacan** on **Friday, June 28, 2019 at 2:00 in the afternoon** and at any adjournment (s) or postponement (s) thereof, as follows:

SUBJECT	FOR	AGAINST	ABSTAIN
1. Call to order;			
2. Certification of notice to the stockholders and the presence of a quorum to do business;			
3. Approval of the minutes of the previous annual meeting;			
4. Report of the President on the operations and financial statements of the Corporation;			
5. Confirmation and ratification of the acts of the Board of Directors and officers;			
6. Election of directors;			
7. Appointment of the external auditor;			
8. Appointment of the stock and transfer agent;			
9. Other matters			
10. Adjournment			

❖ Where the boxes (or any of them) are unchecked, the stockholder executing the proxy is deemed to have authorized the proxy to vote "FOR" the items above.

2. Revokes any proxy or proxies, or similar authorization, heretofore given to any other person or persons, and the power and authority herein granted shall continue to exist until the same shall have been expressly revoked in writing by the undersigned stockholder or by the latter's personal attendance at the stockholders' meeting; and
3. Declares that his/her personal attendance or execution of a subsequent specific proxy for any particular stockholders' meeting shall suspend this proxy but only for purposes of such particular meeting.

FULL DISCRETION	
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_____, at _____.

Printed Name of Stockholder

Signature of Authorized Signatory

(Partnerships, Corporations and Associations must attach certified resolutions thereof designating Proxy/Representative and Authorized Signatories)