



December 14, 2017

The Philippine Stock Exchange, Inc.
Philippine Stock Exchange Plaza,
Ayala Triangle, Ayala Avenue, Makati City

Attention: Mr. Norby Moreno
Assistant Head of the Disclosure Department

**Subject: Reply to Exchange's Request for Clarification on the news article
"SyCip scion indicted in P564-M corporate row" dated December
14, 2017**

Dear Mr. Moreno:

This refers to the request for clarification by the Philippine Stock Exchange (PSE) regarding an online news article entitled "SyCip scion indicted in P564-M corporate row" posted in Inquirer.Net on December 14, 2017. The article reported in part that:

"The son of the late revered business leader Washington SyCip and four of his business associates have been criminally indicted in connection with the dispute over the ownership of P564 million worth of shares in a tuna canning company.

In an eight-page resolution, the Department of Justice (DOJ) found probable cause to file a case for violation of the corporate code against George SyCip, Annsley Bangkas, Alvin Dee, Jonathan Dee and Ibarra Malonzo, all executives of Alliance Select Foods International Inc.

The case stemmed from a complaint filed by Harvest All Investment Ltd., Victory Fund Ltd., and Bondeast Private Ltd., which accused them of violating Batas Pambansa Bilang 68, or the Corporation Code of the Philippines.

'The elements of the crime committed by [the] respondents are present in the instant case,' read a part of the Dec. 4 resolution signed by Justice Undersecretary Deo Marco.

'This tactic, as shown by clear evidence, of continuously delaying any decision on the matter indicates an evasive scheme adopted by respondents to defeat the rights of complainants to inspect the corporate books and records of Alliance,' it added.

Marco voided the two previous DOJ resolutions which dismissed the complaint filed by Harvest All, Victory Fund and Bondeast against SyCip and the others in 2014.

In January 2014, Alliance stockholder Albert Hong Hin Kay asked the company's board of directors to let him scrutinize Alliance's financial records after it suffered 'substantial financial downturn.'

However, the respondents declined Kay's request twice as they referred the matter to the seafood producer's legal counsels and the entire board of directors.

The above article appears to be based on a resolution of the Department of Justice relating to a complaint filed by Harvest All Investment Ltd., Victory Fund Ltd., and Bondeast Private Ltd. against former directors and officers of Alliance Select Foods International, Inc.: former board members Alvin Dee, Jonathan Dee, and Ibarra A. Malonzo; former assistant corporate secretary, Annsley Bangkas; including George SyCip, who is currently Vice-Chairman of the Board.

We would like to clarify that Alliance Select Foods International Inc. (ASFII; PSE:FOOD) is neither a complainant nor a defendant in the said case. The Corporation has not received any issuances from the Department of Justice in relation to the subject case. Further, new officers and members of the Board have joined the management of the Corporation since the filing of the aforesaid case.

Based on the news report quoted above however, it appears to refer to a Department of Justice resolution limited to a dispute involving a shareholder's exercise of his or her right to inspect corporate books and records. There is nothing in the report which shows that the Department of Justice resolution refers to a dispute over the ownership of P564 million worth of FOOD shares.

As described in the referenced news article, the Department of Justice resolution is a preliminary finding, and trial on the merits will still have to be undertaken before any determination of fault or criminal liability may be concluded.

That said, Alliance Select Foods International, Inc. maintains a mandate to operate in accordance with Philippine laws and to respect court processes. Should the need arise, the company expresses its commitment to work with any government agency that may require the company's cooperation.

We trust this sufficiently clarifies the matter at hand.

Sincerely,



ATTY. MA. KRISTINA P. AMBROCIO

VP for Legal and Compliance

Assistant Corporate Secretary