



REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION
SEC Building, EDSA, Greenhills
City of Mandaluyong, Metro Manila

CERTIFICATE OF FILING OF THE
ARTICLES AND PLAN OF MERGER

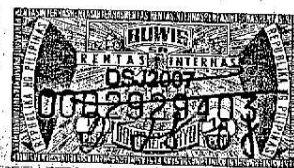
KNOW ALL PERSONS BY THESE PRESENTS:

THIS IS TO CERTIFY that the Articles and Plan of Merger executed on December 26, 2007 by and among:

PUREGOLD PRICE CLUB, INC.
(Surviving Corporation)
and
PUREGOLD PRICE CLUB – PARAÑAQUE, INC.
PUREGOLD PRICE CLUB – VALENZUELA, INC.
PUREGOLD PRICE CLUB – TAYUMAN, INC.
PUREGOLD PRICE CLUB – DAU, INC.
(Absorbed Corporations)

copy annexed, approved by a majority vote of the Board of Directors and by the vote of the Stockholders owning or representing at least two-thirds of the outstanding capital stock of constituent corporations on November 29, 2007 signed by the Chairman and President certified by their respective Corporate Secretaries, whereby the entire assets and liabilities of **PUREGOLD PRICE CLUB – PARAÑAQUE INC.; PUREGOLD PRICE CLUB – VALENZUELA INC.; PUREGOLD PRICE CLUB – TAYUMAN, INC. and PUREGOLD PRICE CLUB – DAU, INC.** will be transferred to and absorbed by **PUREGOLD PRICE CLUB, INC.** was approved by this Office on this date pursuant to the provisions of Sections 76 to 80 of the Corporation Code of the Philippines, Batas Pambansa Blg. 68, approved on May 1, 1980, and attached to the other papers pertaining to said corporations.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of this Commission to be affixed at Mandaluyong City, Metro Manila, Philippines, this 27th day of March, Two Thousand Eight.



Benito A. Cataran
BENITO A. CATARAN
Director

Company Registration and Monitoring Department

COVER SHEET

A 1 9 9 8 1 3 7 5 4

S.E.C. Registration Number

P U R E G O L D P R I C E C L U B , I N C .

(Company's Full Name)

3 1 2 S H A W B O U L E V A R D P L E A S A N T
H I L L S M A N D A L U Y O N G C I T Y

(Business Address: No. Street City/Town/Province)

Romina J. Manaig

Contact Person

Company Telephone Number

1 2 3 1

Month Day

Fiscal Year

FORM TYPE

FORM TYPE

Month Day

Month Day

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Total No. of Stockholders

Domestic

Domestic

Foreign

Foreign

To be accomplished by SEC Personnel concerned

File Number

File Number

Document I.D.

Document I.D.

LCU
Cashier

STAMPS

Remarks = pls. Use black ink for scanning purposes

ARTICLES OF MERGER

OF

**PUREGOLD PRICE CLUB-PARAÑAQUE, INC.
PUREGOLD PRICE CLUB-VALENZUELA, INC.
PUREGOLD PRICE CLUB-TAYUMAN, INC.
PUREGOLD PRICE CLUB-DAU, INC.**

WITH AND UNTO

PUREGOLD PRICE CLUB, INC.



KNOW ALL MEN BY THESE PRESENTS:

Pursuant to the provisions of Article 78 of the Corporation Code of the Philippines (hereinafter referred to as the "Corporation Code"), the undersigned corporations have each adopted and hereby execute the following Articles of Merger for the purpose of merging Puregold Price Club-Parañaque, Inc., Puregold Price Club-Valenzuela, Inc., Puregold Price Club-Tayuman, Inc., Puregold Price Club-Dau, Inc. with and unto Puregold Price Club, Inc. (the "Constituent corporations").

I. **Plan and Agreement of Merger.** The Plan of Merger (the "Plan") which is reproduced hereunder, was approved by at least a majority vote of each of the Board of Directors and by the affirmative vote of the stockholders owning or representing at least two-thirds (2/3) of the outstanding capital stock of all of the Constituent corporations at separate meetings duly called for the purpose in accordance with and in the manner prescribed under Section 76 of the Corporation Code:

PLAN OF MERGER

KNOW ALL MEN BY THESE PRESENTS:

This PLAN OF MERGER is executed by and between:

PUREGOLD PRICE CLUB, INC., a corporation organized and existing by virtue of the laws of the Philippines with principal place of business at 312 Shaw Boulevard, Pleasant Hills, Mandaluyong City, represented herein by its Chairman, MR. LUCIO L. CO, and hereinafter referred to as "PPCI";

- and -

Lucio L. Co

PUREGOLD PRICE CLUB - PARAÑAQUE, INC., a corporation organized and existing by virtue of the laws of the Philippines with principal place of business at Ninoy Aquino Avenue, Sto. Niño, Parañaque City, represented herein by its President, **LEONARDO B. DAYAO**, and hereinafter referred to as "PUREGOLD-PARAÑAQUE";

PUREGOLD PRICE CLUB - VALENZUELA, INC., a corporation organized and existing by virtue of the laws of the Philippines with principal place of business at 419 Dalandan McArthur Hi-way, Valenzuela City, represented herein by its President, **LEONARDO B. DAYAO**, and hereinafter referred to as "PUREGOLD-VALENZUELA";

PUREGOLD PRICE CLUB - TAYUMAN, INC., a corporation organized and existing by virtue of the laws of the Philippines with principal place of business at 31 Tayuman Street, Tondo, Manila, represented herein by its President, **LEONARDO B. DAYAO**, and hereinafter referred to as "PUREGOLD-TAYUMAN";

PUREGOLD PRICE CLUB - DAU, INC., a corporation organized and existing by virtue of the laws of the Philippines with principal place of business at MacArthur Hi-way, Dau, Mabalacat, Pampanga, represented herein by its President, **LEONARDO B. DAYAO**, and hereinafter referred to as "PUREGOLD-DAU";

Collectively referred to as "ABSORBED CORPORATIONS"

WITNESSETH: That --

Whereas, PPCI was incorporated on 8 September 1998 primarily to engage in the business of trading of goods, particularly consumer goods on wholesale and retail basis, with an authorized capital stock of **FIFTY MILLION PESOS (PhP50,000,000.00)**, Philippine currency, divided into **FIVE HUNDRED THOUSAND (500,000)** shares with a par value of **ONE HUNDRED PESOS (PhP100.00)** per share; of which amount, **THREE HUNDRED THIRTY-SIX THOUSAND TWO HUNDRED FIFTY (336,250)** shares with total par value of **THIRTY-THREE MILLION SIX HUNDRED TWENTY-FIVE THOUSAND PESOS (PhP33,625,000.00)** were subscribed and **THIRTY-THREE MILLION TWO HUNDRED FIFTY THOUSAND PESOS (PhP33,250,000.00)** were paid up..

Whereas, **PUREGOLD-PARAÑAQUE** was incorporated on 19 July 2001 primarily to engage in the business of trading of goods such as general merchandise on wholesale and retail basis, with an authorized capital stock of **FIFTY MILLION PESOS (PhP50,000,000.00)**, Philippine currency, divided into **FIVE HUNDRED THOUSAND (500,000)** shares with a par value of **ONE HUNDRED PESOS (PhP100.00)** per share; of which amount, **FOUR HUNDRED FORTY-TWO THOUSAND (442,000)** shares with total par value of **FORTY-FOUR MILLION TWO HUNDRED THOUSAND PESOS (PhP44,200,000.00)** were subscribed and

Handwritten signature: Leonardo B. Dayao

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TWENTY-FIVE MILLION FOUR HUNDRED FIFTY THOUSAND PESOS (PhP25,450,000.00) were paid-up.

Whereas, PUREGOLD-VALENZUELA was incorporated on 30 July 2002 primarily to engage in the business of trading of goods such as general merchandise on wholesale and retail basis, with an authorized capital stock of **FIFTY MILLION PESOS (PhP50,000,000.00)**, Philippine peso, divided into **FIVE HUNDRED THOUSAND (500,000)** shares with a par value of **ONE HUNDRED PESOS (PhP100.00)** per share; of which amount, **THREE HUNDRED FIFTY THOUSAND (350,000)** shares with total par value of **THIRTY-FIVE MILLION PESOS (PhP35,000,000.00)** were subscribed and **SIXTEEN MILLION TWO HUNDRED FIFTY THOUSAND PESOS (PhP16,250,000)** were paid-up.

Whereas, PUREGOLD-TAYUMAN was incorporated on 06 July 2001 primarily to engage in the business of trading of goods such as general merchandise on wholesale and retail basis, with an authorized capital stock of **FIFTY MILLION PESOS (PhP50,000,000.00)**, Philippine peso, divided into **FIVE HUNDRED THOUSAND (500,000)** shares with a par value of **ONE HUNDRED PESOS (PhP100.00)** per share; of which amount, **THREE HUNDRED FIFTY THOUSAND (350,000)** shares with total par value of **THIRTY-FIVE MILLION PESOS (PhP35,000,000.00)** were subscribed and **SIXTEEN MILLION TWO HUNDRED FIFTY THOUSAND PESOS (PhP16,250,000)** were paid-up.

Whereas, PUREGOLD-DAU was incorporated on 30 July 2002 primarily to engage in the business of trading of goods such as general merchandise on wholesale and retail basis, with an authorized capital stock of **FIFTY MILLION PESOS (PhP50,000,000.00)**, Philippines currency, divided into **FIVE HUNDRED THOUSAND (500,000)** shares with a par value of **ONE HUNDRED PESOS (PhP100.00)** per share; of which amount, **THREE HUNDRED FIFTY THOUSAND (350,000)** shares with total par value of **THIRTY-FIVE MILLION PESOS (PhP35,000,000.00)** were subscribed and **SIXTEEN MILLION TWO HUNDRED FIFTY THOUSAND PESOS (PhP16,250,000)** were paid-up.

NOW, THEREFORE, for and in consideration of the premises and of the mutual agreements, provisions, covenants and grants herein contained, PPCI and the ABSORBED CORPORATIONS hereby adopt these Plan of Merger and submit the same to the Securities and Exchange Commissions (SEC) for its approval in accordance with the Corporation Code of the Philippines, (the "Corporation Code") upon terms and conditions set forth in this Plan as follows:

ARTICLE I

The Merger

1.1. Merger of the ABSORBED CORPORATIONS with and unto PPCI. In accordance with the provisions of this Plan of Merger and the Corporation Code of the Philippines, at the Effective Time, as defined in Article 1.5 hereof, the ABSORBED CORPORATIONS shall be merged with and unto PPCI, which shall be the surviving

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corporation. After the Effective Time, PPCI shall continue to conduct its business under its existing name.

1.2. **Approvals.** Within fifteen (15) days from date of this Plan, or such longer period as the President of the ABSORBED CORPORATIONS and the Chairman of the Board of Directors of PPCI shall agree in writing, the Plan shall be submitted for approval and adoption, pursuant to and in accordance with the Corporation Code, to the stockholders of the PPCI and the ABSORBED CORPORATIONS at a duly held stockholders' meeting. This Plan shall be approved and adopted upon receiving the affirmative vote of the holders of at least two-thirds (2/3) of the outstanding capital stock of the ABSORBED CORPORATIONS and the affirmative vote of at least two-thirds (2/3) of the outstanding capital stock of PPCI.

1.3. **Effects of Merger.** At the Effective Time:

- (a) The existence of the ABSORBED CORPORATIONS shall cease.
- (b) PPCI shall continue to exist as a corporation organized and existing under the laws of the Philippines and shall be the surviving corporation.
- (c) PPCI, as the surviving corporation, shall possess all the rights, privileges, immunities and powers, and shall be subject to all the duties and the liabilities of a corporation organized under the Corporation Code.
- (d) PPCI shall thereupon and thereafter possess all the rights, privileges, immunities and franchises of the ABSORBED CORPORATIONS, and all property, real or personal, and all receivables due on whatever account, not otherwise determined as uncollectible, including subscriptions to shares and other choses in action, and all and every other interest of, or belonging to, or due to the ABSORBED CORPORATIONS as of October 31, 2007 shall be taken and deemed to be transferred to and vested in the surviving corporation without further act or deed;
- (e) PPCI shall be responsible and liable for all the liabilities and obligations of the ABSORBED CORPORATIONS as of October 31, 2007, in the same manner as if PPCI had itself incurred such liabilities and obligations and any pending claim, action or proceeding brought by or against PPCI as the case may be. The ABSORBED CORPORATIONS undertake to fully disclose the details of each case mentioned above. Neither the rights of creditors nor any lien upon the property of the constituent corporations shall be impaired by such merger; and,
- (f) All existing employees of the ABSORBED CORPORATIONS shall be separated from their respective corporations. Immediately thereafter, they will be hired by PPCI as new employees without prejudice to its right to exercise Article 283 of the Labor Code of the Philippines.

1.4 **Additional Actions.** If, at any time after the Effective Time, PPCI shall consider or be advised that any further assignment or assurances in law or any other acts are necessary



out the purposes of this Plan of Merger, the ABSORBED CORPORATIONS and their officers and directors shall be deemed to have granted PPCI an irrevocable power of attorney to execute and deliver all such property deeds, assignments and assurances in law, and to do all acts necessary or proper to vest, perfect, or confirm title to, and possession of such right or property in PPCI and otherwise to carry out the purposes of this Plan; and the proper officers and directors of PPCI are fully authorized in the name of the ABSORBED CORPORATIONS or otherwise to take any and all such action.

1.5. **Effective Time.** The Effective Time of Merger (the "Effective Time") shall be December 15, 2007 or the date of the approval of the Securities and Exchange Commission (SEC), whichever is later.

ARTICLE II

Terms of Merger

2.1 As of date hereof, PPCI has a pending application for increase in authorized capital stock from **FIFTY MILLION PESOS (PhP50,000,000.00)**, divided into **FIVE HUNDRED THOUSAND (500,000)** shares with a par value of **ONE HUNDRED PESOS (PhP100.00)** per share to **THREE BILLION PESOS (PhP3,000,000,000.00)**, divided into **THREE BILLION (3,000,000,000)** shares with a par value of **ONE PESO (PhP1.00)** per share.

The above increase in authorized capital stock of **TWO BILLION NINE HUNDRED FIFTY MILLION PESOS (PhP2,950,000,000.00)**, consisting of **Two Billion Nine Hundred Fifty Million (2,950,000,000)** shares, the amount of **SEVEN HUNDRED SIXTY-ONE MILLION SEVEN HUNDRED TWENTY-ONE THOUSAND EIGHT HUNDRED PESOS (PhP761,721,800.00)** or equivalent to **Seven Hundred Sixty-one Million Seven Hundred Twenty-one Thousand Eight Hundred (761,721,800)** shares at **One Peso (PhP1.00)** per share, has been actually subscribed and that of said subscription, the amount of **FIVE HUNDRED MILLION PESOS (PhP500,000,000.00)** has been actually paid in cash by the existing stockholders of PPCI.

2.2. The manner of converting the capital stock of the ABSORBED CORPORATIONS into the shares of PPCI shall be:

- (a) That the stockholders of the ABSORBED CORPORATIONS who are at the same time existing stockholders of PPCI shall be allowed to apply the net assets of the ABSORBED CORPORATIONS as partial payment for their unpaid subscriptions in the aforementioned increase in authorized capital stock of PPCI or any outstanding unpaid subscriptions to date. (Please refer to Annex A for details); and,
- (b) That the stockholders of the ABSORBED CORPORATIONS who are not existing stockholders of PPCI shall receive fully paid and non-assessable capital stock of

PPCI corresponding to their respective holdings of stock in the ABSORBED CORPORATIONS. (Please refer to Annex A for details)

The present outstanding capital stock of the ABSORBED CORPORATIONS shall be retired and cancelled.

2.3. PPCI hereby undertakes to effect the terms of this Plan of Merger after the necessary licenses, permits or authorization for the conversion of capital stocks of the ABSORBED CORPORATIONS in accordance with Section 2.2 shall have been secured from the Securities and Exchange Commission.

2.4. The shares to be issued by PPCI to the stockholders of the ABSORBED CORPORATIONS who are not existing stockholders of PPCI shall be fully paid and non-assessable.

ARTICLE III

Articles of Incorporation & By-Laws of PPCI

3.1. Articles of Incorporation. The Articles of Incorporation of PPCI, as the surviving corporation, shall be the same as the present Articles of Incorporation of PPCI.

3.2 By-Laws. The By-Laws of PPCI, as the surviving corporation, shall be the same as the By-Laws in effect immediately prior to the merger.

3.3. Directors and Officers of PPCI. The directors of PPCI, as the surviving corporation, upon the merger becoming effective, shall be the same directors and officers of PPCI in office, immediately prior to the merger, and their respective terms of office shall not be changed by the merger.

If, on or after the Effective Time of the Merger, a vacancy shall for any reason exist in the Board of Directors of PPCI, or in any of its offices, such vacancy shall thereafter be filled in the manner provided in the By-Laws of PPCI.

ARTICLE IV

Conversion of Securities

4.1. PPCI Common Stock. Each share of PPCI common stock issued and outstanding immediately prior to the Effective Time shall remain issued and outstanding without any change or alteration in ownership, voting powers or other rights, and the qualifications, limitations or restrictions thereof, as set forth in the Articles of Incorporation of PPCI. All new

shares of PPCI issued in connection with this Plan of Merger shall rank in all respects, *pari passu*, with all the common stock of PPCI issued prior to the signing of this Plan of Merger.

4.2. **Conversion of Securities.** *The manner of converting the capital stock of the ABSORBED CORPORATIONS into the shares of PPCI shall be:*

- (c) *That the stockholders of the ABSORBED CORPORATIONS who are at the same time existing stockholders of PPCI shall be allowed to apply the net assets of the ABSORBED CORPORATIONS as partial payment for their unpaid subscriptions in the aforementioned increase in authorized capital stock of PPCI or any outstanding unpaid subscriptions to date. (Please refer to Annex A for details); and,*
- (d) *That the stockholders of the ABSORBED CORPORATIONS who are not existing stockholders of PPCI shall receive fully paid and non-assessable capital stock of PPCI corresponding to their respective holdings of stock in the ABSORBED CORPORATIONS. (Please refer to Annex A for details)*

4.3. **Capital Structure of the Surviving Corporation.** *The capital structure of the surviving corporation after the increase in capital and merger is also shown in Annex A.*

4.4. **Exchange of Certificate.** *Promptly after the Effective Date of the Merger, each holder of the certificate representing the ABSORBED CORPORATIONS' shares shall be surrendered to PPCI being the surviving corporation, and receive in exchange therefore a certificate or certificates representing the whole number of PPCI common shares into which such ABSORBED CORPORATIONS' common shares shall have been converted in accordance with paragraph 4.2 above. PPCI will not issue any fraction of the common shares of PPCI upon conversion of the common shares of the absorbed corporations into common shares of PPCI.*

4.5. *After the Merger, each holder of the certificate representing the common shares of the ABSORBED CORPORATIONS shall, notwithstanding any failure to surrender such certificate(s) for exchange pursuant to the preceding paragraph of this Article, be entitled to the*

rights and privileges, with respect to that number of whole PPCI common shares into which such common shares of the ABSORBED CORPORATIONS shall have been converted, to which holders of common shares of PPCI may be entitled.

All shares of PPCI common stock into and for which the shares of the ABSORBED CORPORATIONS shall have been converted pursuant to this Article shall be deemed to have been issued in full satisfaction of all rights pertaining to such shares.

ARTICLE V

Shareholders' Approval

5.1. This Plan of Merger was submitted, approved and adopted by the shareholders of the ABSORBED CORPORATIONS at a special meeting of such shareholders held on November 29, 2007 at their principal offices. It was also submitted, approved and adopted by the shareholders of PPCI at a special meeting of the shareholders held on November 29, 2007 at its principal office.

If at such meeting of the shareholders of the constituent corporations and at the said meeting of the shareholders of PPCI, at least two-thirds (2/3) of the outstanding capital stock of each corporation voted in favor of approving and adopting this Plan of Merger, thereupon, the Articles of Merger, as required by the Corporation Code, shall be executed by each of the constituent corporations, signed by their respective President or Vice-President, and certified by their respective Corporate Secretary or Assistant Corporate Secretary, setting forth:

- the Plan of Merger
- the number of shares outstanding
- the number of shares voting for and against the Plan, respectively

Upon the issuance of the Certificate of Merger by the Securities and Exchange Commission or December 15, 2007, whichever is later, the Merger shall be effective.

ARTICLE VI

Amendment and Termination

6.1. **Amendment.** This Plan of Merger may be amended by the vote of the majority of the respective Board of Directors of all the constituent corporations and ratified by the affirmative vote of stockholders representing at least two-thirds (2/3) of the outstanding capital stock. Such Plan, together with any amendment, shall be considered as the agreement of merger.

6.2. **Termination.** At anytime prior to the Effective Time, this Plan of Merger may be terminated and the merger abandoned by mutual agreement of the Board of Directors of the

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constituent corporations. If terminated, this Plan of Merger shall forthwith become wholly void and of no further force or effect.

ARTICLE VII

Representations and Warranties

The Parties hereto represent and warrant to each other as follows:

7.1. **Organizations.** That they are duly organized, validly existing and in good standing under the laws of the Philippines, and have the corporate power on their business as they are now being conducted or presently proposed to be conducted.

7.2. **Authority Relative to this Plan.** That they have the corporate powers to enter into this Plan of Merger and to carry out their obligations hereunder. The execution and delivery of this Plan and the consummation of the transactions contemplated hereby have been duly authorized by their respective Board of Directors, and except for the approval of their shareholders as set forth in Article V, no other corporate proceedings on their part are necessary to authorize this Plan and the transactions contemplated hereby. They are not subject to or obligated under (i) any charter, by-law, indenture or other loan document provision or (ii) any other contract, license, franchise, permit, order or decree, which would be breached or violated by executing and carrying out this Plan. Except as referred to herein or in connection or in compliance, with the provisions of the Corporation Code, no filing or registration with, or authorization, consent or approval of, any public body or authority is necessary for the consummation by them of this Plan of Merger, or the other transactions contemplated by this Plan.

7.3. The liabilities of the ABSORBED CORPORATIONS and PPCI as disclosed to the constituent corporations are the only liabilities of each of the constituent corporations as of such date and that there are no other undisclosed liabilities that were incurred or accrued as of such date.

7.4. The receivables of the ABSORBED CORPORATIONS and PPCI as disclosed to the constituent corporations are current and realizable of the constituent corporations.

ARTICLE VIII

Miscellaneous

8.1. **Governing Law.** This Agreement of Merger shall be governed in all respects, including but not limited to, validity, effect and performance by the laws of the Republic of the Philippines.

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8.2. All notices and communications required by this Plan shall be in writing and addressed to the parties hereof in their addresses first above given.

8.3 Transition. The failure or delay of the parties to insist in any or more instances upon a strict performance of any of the terms and conditions of this Agreement, or to exercise any right or remedy herein contained, shall not be deemed a relinquishment or waiver of any rights or remedies the parties may have, nor shall it be construed as a condonation of any subsequent breach or default of the terms and conditions of this Agreement. No waiver by either party shall be effective unless the same is made in writing and signed by the party concerned.

II. Total Number of Shares Outstanding

1. The total number of shares outstanding of each of the constituent corporations are:

<u>Constituent corporations</u>	<u>No. of Shares Outstanding</u>
1. PPCI	336,250
2. PUREGOLD-PARAÑAQUE	442,000
3. PUREGOLD-VALENZUELA	350,000
4. PUREGOLD-TAYUMAN	350,000
5. PUREGOLD-DAU	350,000

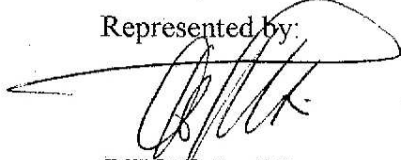
2. All outstanding shares of the Constituent corporations voted in favor of the merger in a special stockholders' meeting duly called for said purpose.

3. None of the outstanding shares of the Constituent corporations voted against the PLAN OF MERGER

IN WITNESS WHEREOF, the duly authorized representatives of the constituent corporations have executed this Plan of Merger this 26th day of December at Makati City Metro Manila. 2007

PPCI PRICE CLUB, INC.

Represented by:



LUCIO L. CO
Chairman


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**PUREGOLD PRICE CLUB INC.,
PUREGOLD PRICE CLUB-PARAÑAQUE, INC.,
PUREGOLD PRICE CLUB-VALENZUELA, INC.,
PUREGOLD PRICE CLUB-TAYUMAN, INC., and
PUREGOLD PRICE CLUB-DAU, INC.**

Represented by:


LEONARDO B. DAYAO
President

Attested by:


BABY GERLIE I. SACRO
Corporate Secretary
PUREGOLD PRICE CLUB, INC.,
PUREGOLD PRICE CLUB-PARAÑAQUE, INC.,
PUREGOLD PRICE CLUB-VALENZUELA, INC.,
PUREGOLD PRICE CLUB-TAYUMAN, INC., and
PUREGOLD PRICE CLUB-DAU, INC.

SIGNED IN THE PRESENCE OF:



ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY, METRO MANILA)SS

Before me, a Notary Public in and for Makati City, Metro Manila, this DEC 26 2007 day of _____ personally appeared:

<u>Name</u>	<u>Comm. Tax Cert. No.</u>	<u>Date & Place Issued</u>	
LUCIO L. CO	14742433	January 17, 2007	Manila
LEONARDO B. DAYAO	01388296	January 09, 2007	Manila.
BABY GERLIE I. SACRO	01370483	January 05, 2007	Manila

known to me to be the same persons who executed the foregoing Articles of Merger and they acknowledged to me that the same is their free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal, on the date and at the place first above written.

Doc. No. 64
Page No. 13
Book No. VII
Series of 2007.

[Signature]
ATTY. PEPIYO G. PO
 Notary Public
 Until December 31, 2007
 PTH No. 0200732 / 1105-07 / MAKATI CI
 LRA No. 59712071-02-07 / MANILA III
 RPN No. 42526

[Vertical Signature]

[Signature]

PLAN OF MERGER

KNOW ALL MEN BY THESE PRESENTS:

This **PLAN OF MERGER** is executed by and between:

PUREGOLD PRICE CLUB, INC., a corporation organized and existing by virtue of the laws of the Philippines with principal place of business at 312 Shaw Boulevard, Pleasant Hills, Mandaluyong City, represented herein by its Chairman, **MR. LUCIO L. CO**, and hereinafter referred to as "PPCI";

- and -

PUREGOLD PRICE CLUB - PARAÑAQUE, INC., a corporation organized and existing by virtue of the laws of the Philippines with principal place of business at Ninoy Aquino Avenue, Sto. Niño, Parañaque City, represented herein by its President, **LEONARDO B. DAYAO**, and hereinafter referred to as "PUREGOLD-PARAÑAQUE";

PUREGOLD PRICE CLUB - VALENZUELA, INC., a corporation organized and existing by virtue of the laws of the Philippines with principal place of business at 419 Dalandan McArthur Hi-way, Valenzuela City, represented herein by its President, **LEONARDO B. DAYAO**, and hereinafter referred to as "PUREGOLD-VALENZUELA";

PUREGOLD PRICE CLUB - TAYUMAN, INC., a corporation organized and existing by virtue of the laws of the Philippines with principal place of business at 31 Tayuman Street, Tondo, Manila, represented herein by its President, **LEONARDO B. DAYAO**, and hereinafter referred to as "PUREGOLD-TAYUMAN";

PUREGOLD PRICE CLUB - DAU, INC., a corporation organized and existing by virtue of the laws of the Philippines with principal place of business at MacArthur Hi-way, Dau, Mabalacat, Pampanga, represented herein by its President, **LEONARDO B. DAYAO**, and hereinafter referred to as "PUREGOLD-DAU";

Collectively referred to as "ABSORBED CORPORATIONS"



WITNESSETH: That --

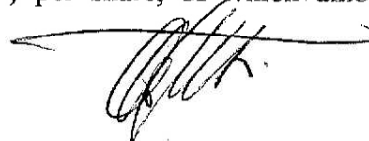
Whereas, PPCI was incorporated on 8 September 1998 primarily to engage in the business of trading of goods, particularly consumer goods on wholesale and retail basis, with an authorized capital stock of **FIFTY MILLION PESOS (PhP50,000,000.00)**, Philippine currency, divided into **FIVE HUNDRED THOUSAND (500,000)** shares with a par value of **ONE HUNDRED PESOS (PhP100.00)** per share; of which amount, **THREE HUNDRED THIRTY-SIX THOUSAND TWO HUNDRED FIFTY (336,250)** shares with total par value of **THIRTY-THREE MILLION SIX HUNDRED TWENTY-FIVE THOUSAND PESOS (PhP33,625,000.00)** were subscribed and **THIRTY-THREE MILLION TWO HUNDRED FIFTY THOUSAND PESOS (PhP33,250,000.00)** were paid up.

Whereas, PUREGOLD-PARAÑAQUE was incorporated on 19 July 2001 primarily to engage in the business of trading of goods such as general merchandise on wholesale and retail basis, with an authorized capital stock of **FIFTY MILLION PESOS (PhP50,000,000.00)**, Philippine currency, divided into **FIVE HUNDRED THOUSAND (500,000)** shares with a par value of **ONE HUNDRED PESOS (PhP100.00)** per share; of which amount, **FOUR HUNDRED FORTY-TWO THOUSAND (442,000)** shares with total par value of **FORTY-FOUR MILLION TWO HUNDRED THOUSAND PESOS (PhP44,200,000.00)** were subscribed and **TWENTY-FIVE MILLION FOUR HUNDRED FIFTY THOUSAND PESOS (PhP25,450,000.00)** were paid-up.

Whereas, PUREGOLD-VALENZUELA was incorporated on 30 July 2002 primarily to engage in the business of trading of goods such as general merchandise on wholesale and retail basis, with an authorized capital stock of **FIFTY MILLION PESOS (PhP50,000,000.00)**, Philippine peso, divided into **FIVE HUNDRED THOUSAND (500,000)** shares with a par value of **ONE HUNDRED PESOS (PhP100.00)** per share; of which amount, **THREE HUNDRED FIFTY THOUSAND (350,000)** shares with total par value of **THIRTY-FIVE MILLION PESOS (PhP35,000,000.00)** were subscribed and **SIXTEEN MILLION TWO HUNDRED FIFTY THOUSAND PESOS (PhP16,250,000)** were paid-up.

Whereas, PUREGOLD-TAYUMAN was incorporated on 06 July 2001 primarily to engage in the business of trading of goods such as general merchandise on wholesale and retail basis, with an authorized capital stock of **FIFTY MILLION PESOS (PhP50,000,000.00)**, Philippine peso, divided into **FIVE HUNDRED THOUSAND (500,000)** shares with a par value of **ONE HUNDRED PESOS (PhP100.00)** per share; of which amount, **THREE HUNDRED FIFTY THOUSAND (350,000)** shares with total par value of **THIRTY-FIVE MILLION PESOS (PhP35,000,000.00)** were subscribed and **SIXTEEN MILLION TWO HUNDRED FIFTY THOUSAND PESOS (PhP16,250,000)** were paid-up.

Whereas, PUREGOLD-DAU was incorporated on 30 July 2002 primarily to engage in the business of trading of goods such as general merchandise on wholesale and retail basis, with an authorized capital stock of **FIFTY MILLION PESOS (PhP50,000,000.00)**, Philippines currency, divided into **FIVE HUNDRED THOUSAND (500,000)** shares with a par value of **ONE HUNDRED PESOS (PhP100.00)** per share; of which amount, **THREE HUNDRED**




FIFTY THOUSAND (350,000) shares with total par value of THIRTY-FIVE MILLION PESOS (PhP35,000,000.00) were subscribed and SIXTEEN MILLION TWO HUNDRED FIFTY THOUSAND PESOS (PhP16,250,000) were paid-up.

NOW, THEREFORE, for and in consideration of the premises and of the mutual agreements, provisions, covenants and grants herein contained, PPCI and the ABSORBED CORPORATIONS hereby adopt these Plan of Merger and submit the same to the Securities and Exchange Commissions (SEC) for its approval in accordance with the Corporation Code of the Philippines, (the "Corporation Code") upon terms and conditions set forth in this Plan as follows:

ARTICLE I

The Merger

1.1. **Merger of the ABSORBED CORPORATIONS with and unto PPCI.** In accordance with the provisions of this Plan of Merger and the Corporation Code of the Philippines, at the Effective Time, as defined in Article 1.5 hereof, the ABSORBED CORPORATIONS shall be merged with and unto PPCI, which shall be the surviving corporation. After the Effective Time, PPCI shall continue to conduct its business under its existing name.

1.2. **Approvals.** Within fifteen (15) days from date of this Plan, or such longer period as the President of the ABSORBED CORPORATIONS and the Chairman of the Board of Directors of PPCI shall agree in writing, the Plan shall be submitted for approval and adoption, pursuant to and in accordance with the Corporation Code, to the stockholders of the PPCI and the ABSORBED CORPORATIONS at a duly held stockholders' meeting. This Plan shall be approved and adopted upon receiving the affirmative vote of the holders of at least two-thirds (2/3) of the outstanding capital stock of the ABSORBED CORPORATIONS and the affirmative vote of at least two-thirds (2/3) of the outstanding capital stock of PPCI.

1.3. **Effects of Merger.** At the Effective Time:

- (a) The existence of the ABSORBED CORPORATIONS shall cease.
- (b) PPCI shall continue to exist as a corporation organized and existing under the laws of the Philippines and shall be the surviving corporation.
- (c) PPCI, as the surviving corporation, shall possess all the rights, privileges, immunities and powers, and shall be subject to all the duties and the liabilities of a corporation organized under the Corporation Code.
- (d) PPCI shall thereupon and thereafter possess all the rights, privileges, immunities and franchises of the ABSORBED CORPORATIONS, and all property, real or personal, and all receivables due on whatever account, not otherwise determined as uncollectible, including subscriptions to shares and other choses in action, and




all and every other interest of, or belonging to, or due to the ABSORBED CORPORATIONS as of October 31, 2007 shall be taken and deemed to be transferred to and vested in the surviving corporation without further act or deed;

- (e) PPCI shall be responsible and liable for all the liabilities and obligations of the ABSORBED CORPORATIONS as of October 31, 2007, in the same manner as if PPCI had itself incurred such liabilities and obligations and any pending claim, action or proceeding brought by or against PPCI as the case may be. The ABSORBED CORPORATIONS undertake to fully disclose the details of each case mentioned above. Neither the rights of creditors nor any lien upon the property of the constituent corporations shall be impaired by such merger; and,
- (f) All existing employees of the ABSORBED CORPORATIONS shall be separated from their respective corporations. Immediately thereafter, they will be hired by PPCI as new employees without prejudice to its right to exercise Article 283 of the Labor Code of the Philippines.

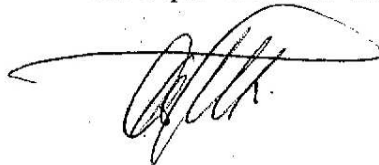
1.4 **Additional Actions.** If, at any time after the Effective Time, PPCI shall consider or be advised that any further assignment or assurances in law or any other acts are necessary or desirable, (a) to vest, perfect, or confirm, of record or otherwise, in PPCI, title to and possession of any property or rights of the ABSORBED CORPORATIONS, acquired or to be acquired by reason of, in connection with, or as a result of the Merger, or (b) otherwise to carry out the purposes of this Plan of Merger, the ABSORBED CORPORATIONS and their officers and directors shall be deemed to have granted PPCI an irrevocable power of attorney to execute and deliver all such property deeds, assignments and assurances in law, and to do all acts necessary or proper to vest, perfect, or confirm title to, and possession of such right or property in PPCI and otherwise to carry out the purposes of this Plan; and the proper officers and directors of PPCI are fully authorized in the name of the ABSORBED CORPORATIONS or otherwise to take any and all such action.

1.5 **Effective Time.** The Effective Time of Merger (the "Effective Time") shall be December 15, 2007 or the date of the approval of the Securities and Exchange Commission (SEC), whichever is later.

ARTICLE II

Terms of Merger

2.1 As of date hereof, PPCI has a pending application for increase in authorized capital stock from **FIFTY MILLION PESOS (PhP50,000,000.00)**, divided into **FIVE HUNDRED THOUSAND (500,000)** shares with a par value of **ONE HUNDRED PESOS (PhP100.00)** per share to **THREE BILLION PESOS (PhP3,000,000,000.00)**, divided into **THREE BILLION (3,000,000,000)** shares with a par value of **ONE PESO (PhP1.00)** per share.




The above increase in authorized capital stock of **TWO BILLION NINE HUNDRED FIFTY MILLION PESOS (PhP2,950,000,000.00)**, consisting of **Two Billion Nine Hundred Fifty Million (P2,950,000,000)** shares, the amount of **SEVEN HUNDRED SIXTY-ONE MILLION SEVEN HUNDRED TWENTY-ONE THOUSAND EIGHT HUNDRED PESOS (PhP761,721,800.00)** or equivalent to **Seven Hundred Sixty-one Million Seven Hundred Twenty-one Thousand Eight Hundred (761,721,800)** shares at **One Peso (PhP1.00)** per share, has been actually subscribed and that of said subscription, the amount of **FIVE HUNDRED MILLION PESOS (PhP500,000,000.00)** has been actually paid in cash by the existing stockholders of PPCI.

2.2. The manner of converting the capital stock of the ABSORBED CORPORATIONS into the shares of PPCI shall be:

- (a) That the stockholders of the ABSORBED CORPORATIONS who are at the same time existing stockholders of PPCI shall be allowed to apply the net assets of the ABSORBED CORPORATIONS as partial payment for their unpaid subscriptions in the aforementioned increase in authorized capital stock of PPCI or any outstanding unpaid subscriptions to date. (Please refer to Annex A for details); and,
- (b) That the stockholders of the ABSORBED CORPORATIONS who are not existing stockholders of PPCI shall receive fully paid and non-assessable capital stock of PPCI corresponding to their respective holdings of stock in the ABSORBED CORPORATIONS. (Please refer to Annex A for details)

The present outstanding capital stock of the ABSORBED CORPORATIONS shall be retired and cancelled.

2.3. PPCI hereby undertakes to effect the terms of this Plan of Merger after the necessary licenses, permits or authorization for the conversion of capital stocks of the ABSORBED CORPORATIONS in accordance with Section 2.2 shall have been secured from the Securities and Exchange Commission.

2.4. The shares to be issued by PPCI to the stockholders of the ABSORBED CORPORATIONS who are not existing stockholders of PPCI shall be fully paid and non-assessable.

ARTICLE III

Articles of Incorporation & By-Laws of PPCI

3.1. **Articles of Incorporation.** The Articles of Incorporation of PPCI, as the surviving corporation, shall be the same as the present Articles of Incorporation of PPCI.

3.2. **By-Laws.** The By-Laws of PPCI, as the surviving corporation, shall be the same as the By-Laws in effect immediately prior to the merger.

3.3. **Directors and Officers of PPCI.** The directors of PPCI, as the surviving corporation, upon the merger becoming effective, shall be the same directors and officers of PPCI in office, immediately prior to the merger, and their respective terms of office shall not be changed by the merger.

If, on or after the Effective Time of the Merger, a vacancy shall for any reason exist in the Board of Directors of PPCI, or in any of its offices, such vacancy shall thereafter be filled in the manner provided in the By-Laws of PPCI.

ARTICLE IV

Conversion of Securities

4.1. **PPCI Common Stock.** Each share of PPCI common stock issued and outstanding immediately prior to the Effective Time shall remain issued and outstanding without any change or alteration in ownership, voting powers or other rights, and the qualifications, limitations or restrictions thereof, as set forth in the Articles of Incorporation of PPCI. All new shares of PPCI issued in connection with this Plan of Merger shall rank in all respects, pari passu, with all the common stock of PPCI issued prior to the signing of this Plan of Merger.

4.2. **Conversion of Securities.** The manner of converting the capital stock of the ABSORBED CORPORATIONS into the shares of PPCI shall be:

- (a) That the stockholders of the ABSORBED CORPORATIONS who are at the same time existing stockholders of PPCI shall be allowed to apply the net assets of the ABSORBED CORPORATIONS as partial payment for their unpaid subscriptions in the aforementioned increase in authorized capital stock of PPCI or any outstanding unpaid subscriptions to date. (Please refer to Annex A for details); and,
- (b) That the stockholders of the ABSORBED CORPORATIONS who are not existing stockholders of PPCI shall receive fully paid and non-assessable capital stock of PPCI corresponding to their respective holdings of stock in the ABSORBED CORPORATIONS. (Please refer to Annex A for details)

4.3. **Capital Structure of the Surviving Corporation.** The capital structure of the surviving corporation after the increase in capital and merger is also shown in Annex A.

4.4. **Exchange of Certificate.** Promptly after the Effective Date of the Merger, each holder of the certificate representing the ABSORBED CORPORATIONS' shares shall be surrendered to PPCI being the surviving corporation, and receive in exchange therefore a certificate or certificates representing the whole number of PPCI common shares into which such ABSORBED CORPORATIONS' common shares shall have been converted in accordance with paragraph 4.2 above. PPCI will not issue any fraction of the common shares of PPCI upon conversion of the common shares of the absorbed corporations into common shares of PPCI.

4.5. After the Merger, each holder of the certificate representing the common shares of the ABSORBED CORPORATIONS shall, notwithstanding any failure to surrender such certificate(s) for exchange pursuant to the preceding paragraph of this Article, be entitled to the rights and privileges, with respect to that number of whole PPCI common shares into which such common shares of the ABSORBED CORPORATIONS shall have been converted, to which holders of common shares of PPCI may be entitled.

All shares of PPCI common stock into and for which the shares of the ABSORBED CORPORATIONS shall have been converted pursuant to this Article shall be deemed to have been issued in full satisfaction of all rights pertaining to such shares.

ARTICLE V

Shareholders' Approval

5.1. This Plan of Merger was submitted, approved and adopted by the shareholders of the ABSORBED CORPORATIONS at a special meeting of such shareholders held on November 29, 2007 at their principal offices. It was also submitted, approved and adopted by the shareholders of PPCI at a special meeting of the shareholders held on November 29, 2007 at its principal office.

If at such meeting of the shareholders of the constituent corporations and at the said meeting of the shareholders of PPCI, at least two-thirds (2/3) of the outstanding capital stock of each corporation voted in favor of approving and adopting this Plan of Merger, thereupon, the Articles of Merger, as required by the Corporation Code, shall be executed by each of the constituent corporations, signed by their respective President or Vice-President, and certified by their respective Corporate Secretary or Assistant Corporate Secretary, setting forth:

- the Plan of Merger
- the number of shares outstanding

- the number of shares voting for and against the Plan, respectively

Upon the issuance of the Certificate of Merger by the Securities and Exchange Commission or December 15, 2007, whichever is later, the Merger shall be effective.

ARTICLE VI

Amendment and Termination

6.1. **Amendment.** This Plan of Merger may be amended by the vote of the majority of the respective Board of Directors of all the constituent corporations and ratified by the affirmative vote of stockholders representing at least two-thirds (2/3) of the outstanding capital stock. Such Plan, together with any amendment, shall be considered as the agreement of merger.

6.2. **Termination.** At anytime prior to the Effective Time, this Plan of Merger may be terminated and the merger abandoned by mutual agreement of the Board of Directors of the constituent corporations. If terminated, this Plan of Merger shall forthwith become wholly void and of no further force or effect.


ARTICLE VII

Representations and Warranties

The Parties hereto represent and warrant to each other as follows:

7.1. **Organizations.** That they are duly organized, validly existing and in good standing under the laws of the Philippines, and have the corporate power on their business as they are now being conducted or presently proposed to be conducted.

7.2. **Authority Relative to this Plan.** That they have the corporate powers to enter into this Plan of Merger and to carry out their obligations hereunder. The execution and delivery of this Plan and the consummation of the transactions contemplated hereby have been duly authorized by their respective Board of Directors, and except for the approval of their shareholders as set forth in Article V, no other corporate proceedings on their part are necessary to authorize this Plan and the transactions contemplated hereby. They are not subject to or obligated under (i) any charter, by-law, indenture or other loan document provision or (ii) any other contract, license, franchise, permit, order or decree, which would be breached or violated by executing and carrying out this Plan. Except as referred to herein or in connection or in compliance, with the provisions of the Corporation Code, no filing or registration with, or authorization, consent or approval of, any public body or authority is necessary for the consummation by them of this Plan of Merger, or the other transactions contemplated by this Plan.




7.3. The liabilities of the ABSORBED CORPORATIONS and PPCI as disclosed to the constituent corporations are the only liabilities of each of the constituent corporations as of such date and that there are no other undisclosed liabilities that were incurred or accrued as of such date.

7.4. The receivables of the ABSORBED CORPORATIONS and PPCI as disclosed to the constituent corporations are current and realizable of the constituent corporations.

ARTICLE VIII

Miscellaneous

8.1. **Governing Law.** This Agreement of Merger shall be governed in all respects, including but not limited to, validity, effect and performance by the laws of the Republic of the Philippines.

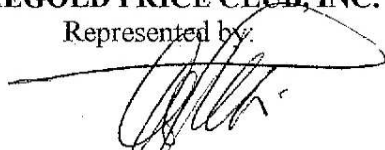
8.2. All notices and communications required by this Plan shall be in writing and addressed to the parties hereof in their addresses first above given.

8.3 **Transition.** The failure or delay of the parties to insist in any or more instances upon a strict performance of any of the terms and conditions of this Agreement, or to exercise any right or remedy herein contained, shall not be deemed a relinquishment or waiver of any rights or remedies the parties may have, nor shall it be construed as a condonation of any subsequent breach or default of the terms and conditions of this Agreement. No waiver by either party shall be effective unless the same is made in writing and signed by the party concerned.

IN WITNESS WHEREOF, the duly authorized representatives of the constituent corporations have executed this Plan of Merger this 20 th day of December ²⁰⁰⁷ at Alabon City Metro Manila.

PUREGOLD PRICE CLUB, INC.

Represented by:




LUCIO L. CO

Chairman

**PUREGOLD PRICE CLUB, INC.,
PUREGOLD PRICE CLUB-PARANAQUE, INC.,
PUREGOLD PRICE CLUB-VALENZUELA, INC.,
PUREGOLD PRICE CLUB-TAYUMAN, INC., and
PUREGOLD PRICE CLUB-DAU, INC.**

Represented by:



LEONARDO B. DAYAO

President

Attested by:



BABY GERLIE I. SACRO

Corporate Secretary

PUREGOLD PRICE CLUB, INC.,

PUREGOLD PRICE CLUB-PARAÑAQUE, INC.,

PUREGOLD PRICE CLUB-VALENZUELA, INC.,

PUREGOLD PRICE CLUB-TAYUMAN, INC., and

PUREGOLD PRICE CLUB-DAU, INC.

SIGNED IN THE PRESENCE OF:

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY, METRO MANILA)SS


Before me, a Notary Public in and for Makati City, Metro Manila, this DEC 26 2007 th day of _____ personally appeared:

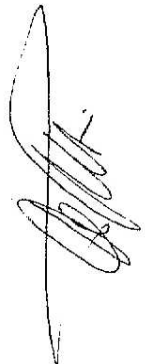
<u>Name</u>	<u>Comm. Tax Cert. No.</u>	<u>Date & Place Issued</u>	
LUCIO L. CO	14742433	January 17, 2007	Manila
LEONARDO B. DAYAO	01388296	January 09, 2007	Manila.
BABY GERLIE I. SACRO	01370483	January 05, 2007	Manila

known to me to be the same persons who executed the foregoing Articles of Merger and they acknowledged to me that the same is their free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal, on the date and at the place first above written.

Doc. No. 63
Page No. 13
Book No. 11
Series of 2007.


ATTY. PEPITO G. PO
Notary Public
Until December 31, 2007
PTR No. 0360252 / 2106-02 / MAKATI CI
2007 Exp. 09212071-02-07 / MANILA CI
R011 No. 42926



PUREGOLD PRICE CLUB, INC.

Annex "A"

A. Computation of Net Asset Value of Constituent Corporations

	PARANAQUE	TAYUMAN	VALENZUELA	DAU
Total Assets	245,155,527.00	322,709,804.00	322,031,523.00	262,862,688.00
Less Due from:				
PPCI	(1,043,014.00)	(44,474,383.00)	(8,874,834.00)	(10,628,994.00)
Paranaque	-	(8,192,658.00)	(9,515,581.00)	(14,699,396.00)
Tayuman	(53,231.00)	-	(48,590.00)	(455,754.00)
Valenzuela	(3,951.00)	(160,567.00)	-	(44,424.00)
Dau	(4,775.00)	(161,434.00)	(31,923.00)	-
Adjusted TA	244,050,556.00	269,720,759.00	303,560,595.00	237,034,120.00
Less: Total Liabilities	216,864,524.00	261,183,256.00	257,318,216.00	211,122,812.00
Less Due to:				
PPCI	(3,917,088.00)	(785,937.00)	(310,382.00)	(336,307.00)
Parafiaque	-	(53,231.00)	(3,951.00)	(4,775.00)
Tayuman	(8,192,658.00)	-	(160,567.00)	(161,434.00)
Valenzuela	(9,515,582.00)	(48,689.00)	-	(31,923.00)
Dau	(14,699,396.00)	(455,754.00)	(44,424.00)	-
Adjusted TL	180,539,800.00	259,839,645.00	256,798,892.00	210,588,373.00
Net Asset (NA)	63,510,756.00	9,881,114.00	46,761,703.00	26,445,747.00
				146,599,320.00

B. Distribution of NA to the stockholders

STOCKHOLDERS	PARANAQUE	TAYUMAN	VALENZUELA	DAU	Total
Lucio L. Co	30,484,913.33	4,742,873.91	22,444,754.15	12,693,470.33	70,366,011.72
Susan P. Co	30,485,162.88	4,742,934.72	23,380,851.50	13,222,873.50	71,831,822.60
Ferdinand Vincent Co	1,270,215.12	197,622.28	935,234.06	528,914.94	2,931,986.40
Pamela Justine Co	635,107.56	98,811.14	287.76	162.74	734,369.21
Leonardo B. Dayao	249.55	60.81	287.76	162.74	760.87
Grace E. Sy			287.76		450.51
Jocelyn Rodulfa	635,107.56	98,811.14			733,918.70
Net Asset (NA)	63,510,756.00	9,881,114.00	46,761,703.00	26,445,747.00	146,599,320.00

C. Stockholdings before and after Merger

Stockholders	After Increase in Capital but before Merger			Distribution of NA			After Merger		
	Subscribed Capital	Paid-up Capital	Unpaid Subscription	Subscribed Capital	Paid-up Capital	Unpaid Subscription	Subscribed Capital	Paid-up Capital	Unpaid Subscription
Lucio L. Co	359,923,400.00	234,923,400.00	125,000,000.00	70,366,011.72	305,289,411.72	54,633,988.28	359,923,400.00	306,755,222.60	53,168,177.40
Susan P. Co	359,923,400.00	234,923,400.00	125,000,000.00	71,831,822.60	306,755,222.60	22,071,086.40	359,923,400.00	306,755,222.60	2,928,913.60
Ferdinand Vincent Co	25,000,000.00	19,139,100.00	5,860,900.00	2,931,986.40	22,071,086.40	5,126,530.79	25,000,000.00	19,873,469.21	5,126,530.79
Pamela Justine Co	25,000,000.00	19,139,100.00	5,860,900.00	734,369.21	19,873,469.21	374,239.13	25,000,000.00	125,760.87	374,239.13
Leonardo B. Dayao	500,000.00	125,000.00	375,000.00	760.87	125,760.87	-	500,000.00	125,760.87	374,239.13
Grace E. Sy	-	-	-	450.51	450.00	-	-	450.00	-
Jocelyn Rodulfa	-	-	-	733,918.70	733,918.00	-	-	733,918.00	-
Carmille Clarisse P. Co	25,000,000.00	25,000,000.00	-	-	25,000,000.00	-	25,000,000.00	25,000,000.00	-
Totals	795,346,800.00	533,280,000.00	262,056,800.00	146,599,320.00	795,849,318.79	116,231,849.21	795,346,800.00	679,849,318.79	116,231,849.21

**PUREGOLD PRICE CLUB-VALENZUELA, INC.
LIST OF STOCKHOLDERS**

Stockholder	Nationality	Par Value	Subscribed		Paid-up
			No. of shares	Amount	
1 Lucio L. Co	Filipino	100.00	167,997	16,799,700.00	7,799,700.00
2 Susan P. Co	Filipino	100.00	175,000	17,500,000.00	8,125,000.00
3 Ferdinand Vicente . Co	Filipino	100.00	7,000	700,000.00	325,000.00
4 Pamela Justine P. Co	Filipino	100.00	1	100.00	100.00
5 Leonardo B. Dayao	Filipino	100.00	1	100.00	100.00
6 Grace E. Sy	Filipino	100.00	1	100.00	100.00
Total			350,000	35,000,000.00	16,250,000.00

Certified true & correct:

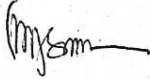


Baby Gerlie I. Sacro
Corporate Secretary

**PUREGOLD PRICE CLUB-TAYUMAN, INC.
LIST OF STOCKHOLDERS**

Stockholder	Nationality	Par Value	Subscribed		Paid-up
			No. of shares	Amount	
1 Lucio L. Co	Filipino	100.00	167,999	16,799,900.00	7,799,900.00
2 Susan P. Co	Filipino	100.00	168,000	16,800,000.00	7,800,000.00
3 Ferdinand Vicente . Co	Filipino	100.00	7,000	700,000.00	325,000.00
4 Pamela Justine P. Co	Filipino	100.00	3,500	350,000.00	162,500.00
5 Jocelyn Rodulfa	Filipino	100.00	3,500	350,000.00	162,500.00
6 Leonardo B. Dayao	Filipino	100.00	1	100.00	100.00
Total			350,000	35,000,000.00	16,250,000.00

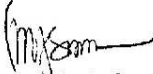
Certified true & correct:


Baby Gerlie I. Sacro
 Corporate Secretary

**PUREGOLD PRICE CLUB-DAU, INC.
LIST OF STOCKHOLDERS**

Stockholder	Nationality	Par Value	Subscribed		Paid-up
			No. of shares	Amount	
1 Lucio L. Co	Filipino	100.00	167,997	16,799,700.00	7,799,700.00
2 Susan P. Co	Filipino	100.00	175,000	17,500,000.00	8,125,000.00
3 Ferdinand Vicente . Co	Filipino	100.00	7,000	700,000.00	325,000.00
4 Pamela Justine P. Co	Filipino	100.00	1	100.00	100.00
5 Grace E. Sy	Filipino	100.00	1	100.00	100.00
6 Leonardo B. Dayao	Filipino	100.00	1	100.00	100.00
Total			350,000	35,000,000.00	16,250,000.00

Certified true & correct:



Baby Gerlie I. Sacro
Corporate Secretary

PUREGOLD PRICE CLUB-PARAÑAQUE, INC.
LIST OF STOCKHOLDERS

Stockholder	Nationality	Par Value	Subscribed		Paid-up
			No. of shares	Amount	
1 Lucio L. Co	Filipino	100.00	212,159	21,215,900.00	12,215,900.00
2 Susan P. Co	Filipino	100.00	212,160	21,216,000.00	12,216,000.00
3 Ferdinand Vicente . Co	Filipino	100.00	8,840	884,000.00	509,000.00
4 Pamela Justine P. Co	Filipino	100.00	4,420	442,000.00	254,500.00
5 Jocelyn Rodulfa	Filipino	100.00	4,420	442,000.00	254,500.00
6 Leonardo B. Dayao	Filipino	100.00	1	100.00	100.00
Total			442,000	44,200,000.00	25,450,000.00

Certified true & correct:


Baby Gerlie I. Sacro
 Corporate Secretary