

**MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING
OF**

SMC GLOBAL POWER HOLDINGS CORP.

Held on 05 June 2018, 2:00 p.m.
at The Board Room, 8th Floor SMC Head Office Complex Building
40 San Miguel Avenue, Mandaluyong City

<u>PRESENT:</u>	<u>No. of Shares</u>
San Miguel Corporation (By Proxy)	1,250,000,500
Ramon S. Ang	500
Ferdinand K. Constantino	500
Aurora T. Calderon	500
Virgilio S. Jacinto	500
Jack G. Arroyo, Jr.	500
Consuelo M. Ynares-Santiago	500
Josefina Guevara-Salonga	500
Total Number of Shares Present:	1,250,004,000
Total Number of Shares Issued and Outstanding:	1,250,004,000

ALSO PRESENT:

Elenita D. Go
Paul Bernard D. Causon
Ramon U. Agay
Harold M. Abrenica
Jose Mari R. Valte
Jinky Rose L. Go
Beatriz Irina Denise A. Garcia
Majalla S. Baun
Irene M. Cipriano

I. CALL TO ORDER

Mr. Ramon S. Ang, the Chairman of the Board, called the meeting of the stockholders to order and presided over the same. Atty. Virgilio S. Jacinto, the Corporate Secretary, recorded the minutes of the proceedings.

II. CERTIFICATION OF QUORUM

Stockholders owning or representing approximately 100% of the outstanding capital stock of the Corporation being present, in person or by proxy, the Corporate Secretary certified that a quorum existed for the valid transaction of business.

III. APPROVAL OF THE PREVIOUS MEETING MINUTES

The Minutes of the Annual Stockholders' Meeting held on 06 June 2017 and Minutes of the Special Stockholders' Meeting held on 07 November 2017 were presented to the stockholders for approval.

Upon motion duly made and seconded, there being no objections, the stockholders unanimously approved the following resolution:

Stockholders' Resolution No. 2018-06-05-01
Approval of Previous Meeting Minutes

“RESOLVED, as it is hereby resolved, that the stockholders approve the Minutes of the Annual Stockholders' Meeting held on 06 June 2017 and the Minutes of the Special Stockholders Meeting held on 07 November 2017.”

IV. APPROVAL OF THE 2017 AUDITED FINANCIAL STATEMENTS

Ms. Elenita D. Go, the General Manager of the Corporation, presented to the Board the Annual Report and the 2017 Audited Financial Statements, summarized as follows:

- The Corporation increased its consolidated revenues in 2017 by 6% to P82.8 Billion, as a result of higher realization prices from both bilateral and spot sales. This is in spite of the reduction in net generation volume due to various technical issues that resulted to prolonged outages during the year for both Unit 2 of the Sual Power Plant and block 2 of the Ilijan Power Plant.
- The reduction in generating capacity was however abated by the additional capacity from the Group's Limay and Malita Power Plants during the year.
- Operating income is at P27.6 Billion.
- Net income amounted to P8.2 Billion.
- Total assets of the Group increased by 5%, while total liabilities increased by 4% due to the Project Financing raised for the Limay Power Plant Project.
- Although not yet reflected in the 2017 financials, it is worthwhile to note that on 17 December 2017, the Corporation executed a Share Purchase Agreement for the purchase of the Masinloc Power Plant, a coal-fired facility with a current operating capacity of 630MW. The acquisition also includes the ongoing expansion for Unit 3 with an installed capacity of 335MW and a 10MW battery energy storage facility. The acquisition was executed last 20 March 2018.

Upon motion duly made and seconded, there being no objections, the following resolution was unanimously approved by the stockholders:

Stockholders' Resolution No. 2018-06-05-02
Approval of 2017 Audited Financial Statements

“RESOLVED, as it is hereby resolved, that the stockholders approve the Audited Financial Statements of the Corporation for the year ended 31 December 2017.”

V. ELECTION OF THE BOARD OF DIRECTORS

Atty. Jacinto presented to the stockholders the names of the nominees for election to the Board of Directors of the Corporation:

Ramon S. Ang
Ferdinand K. Constantino
Aurora T. Calderon
Virgilio S. Jacinto
Jack G. Arroyo, Jr. (Independent Director)
Consuelo M. Ynares-Santiago (Independent Director)
Josefina Guevara-Salonga (Independent Director)

Atty. Jacinto further explained that the Information Statement circulated to the stockholders provided the names of the nominees for election as independent directors of the Board of Directors and they are Jack G. Arroyo, Jr., Consuelo M. Ynares-Santiago and Josefina Guevara-Salonga. He likewise informed the stockholders that all the named independent directors comply with the mandatory requirements imposed by the Securities and Exchange Commission.

A motion was made to: (i) dispense with the balloting for the election of directors, (ii) for the above-named nominees be unanimously elected as directors of the Corporation for the ensuing year until their successors are elected and qualified, and (iii) that the votes of the stockholders present and represented by proxies be distributed and recorded accordingly.

Upon said motion being duly seconded, and there being no objections, stockholders unanimously approved the following resolution:

Stockholders' Resolution No. 2018-06-05-03
Election of the Board of Directors

"RESOLVED, as it is resolved, that the following be, as they are hereby are, elected as members of the Board of Directors of the Corporation, to serve as such for the ensuing year, until their successors are duly elected and qualified:

1. Ramon S. Ang
2. Ferdinand K. Constantino
3. Aurora T. Calderon
4. Virgilio S. Jacinto
5. Jack G. Arroyo, Jr. (Independent Director)
6. Consuelo M. Ynares-Santiago (Independent Director)
7. Josefina Guevara-Salonga (Independent Director)."

VI. RATIFICATION OF ALL ACTS AND PROCEEDINGS OF THE BOARD OF DIRECTORS AND CORPORATE OFFICERS

Upon motion duly made and seconded, there being no objections, the following resolution was unanimously approved by the stockholders:

Stockholders' Resolution No. 2018-06-05-04
Ratification of All Acts and Proceedings of the Board of Directors and Corporate Officers

"RESOLVED, as it is resolved, that all acts, proceedings and resolutions of the Board of Directors and the Corporate Officers of the Corporation since the date of the Annual Stockholders' Meeting held on 06 June 2017 up to the date of this meeting, as set out in the minutes of the meetings of the Board of Directors, be approved, confirmed and ratified."

VII. APPOINTMENT OF EXTERNAL AUDITORS

Upon motion duly made and seconded, there being no objections, the following resolution was unanimously approved by the stockholders:

Stockholders' Resolution No. 2018-06-05-05
Appointment of External Auditors

“**RESOLVED**, as it is resolved, that the accounting firm of R.G. Manabat & Co., be designated as external auditors of the Corporation for fiscal year 2018.”

VIII. ADJOURNMENT

There being no other matters to be discussed, the meeting was adjourned.

ATTESTED BY:

RAMON S. ANG
Chairman

Certified Correct:

VIRGILIO S. JACINTO
Corporate Secretary