

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

**SMC GLOBAL POWER HOLDINGS CORP.**

Held on 06 June 2017 immediately after the  
Regular Meeting of the Board of Directors  
at The Board Room, 8<sup>th</sup> Floor SMC Head Office Complex Building  
40 San Miguel Avenue, Mandaluyong City

<b><u>PRESENT:</u></b>	<b><u>No. of Shares</u></b>
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
Total Number of Shares Present:	1,250,003,500
Total Number of Shares Issued and Outstanding:	1,250,003,500

**ALSO PRESENT:**

Bella O. Navarra  
Elenita D. Go  
Paul D. Causon  
Ramon U. Agay  
Harold M. Abrenica  
Jose Mari R. Valte  
Jinky Rose L. Go  
Majalla S. Baun  
Irene M. Cipriano

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**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 07 June 2016 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. 2017-06-06-01**  
**Approval of Previous Meeting Minutes**

“RESOLVED, as it is hereby resolved, that the stockholders approve the Minutes of the Annual Stockholders' Meeting held on 07 June 2016.”

**IV. APPROVAL OF THE 2016 AUDITED FINANCIAL STATEMENTS**

Mr. Paul D. Causon, the Chief Finance Officer of the Corporation presented to the Board the Audited Consolidated Financial Statements of the Corporation and its subsidiaries bearing the results of operations of the Group with comparative information from the previous year:

- Consolidated net generation volume registered 6% higher in 2016 to 16,070 Gwh from 15,094 Gwh in the previous year. This reflects the improvement in the operations and net capacity factor of both the Sual and Ilijan power plants.
- In spite of the decline in bilateral and WESM prices, the Group still managed to report a modest growth of 1% in consolidated revenues to Php78.0 Billion. This is due to the increase in generation volume and the offtake volume of 6% and 5%, respectively.
- With higher turnover coupled by improved lower fuel costs, specifically due to falling coal and natural gas prices, gross contribution grew by 11% to Php39.6 Billion, providing a higher Gross Contribution Margin of 51% vs. 46% last year.
- As a result, operating income and EBITDA jumped by 13% and 8%, respectively.
- Net income posted a significant increase of 127% year-on-year to Php4.2 Billion.

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

**Stockholders' Resolution No. 2017-06-06-02**  
**Approval of 2016 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 2016.”

**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	-	Chairman
Ferdinand K. Constantino	-	Vice Chairman
Aurora T. Calderon	-	Member
Virgilio S. Jacinto	-	Member
Jack G. Arroyo, Jr.	-	Independent Director
Consuelo M. Ynares-Santiago	-	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. and Consuelo M. Ynares-Santiago. He likewise informed the stockholders that 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. 2017-06-06-03**  
**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                | - Chairman               |
| 2. Ferdinand K. Constantino    | - Vice Chairman          |
| 3. Aurora T. Calderon          | - Member                 |
| 4. Virgilio S. Jacinto         | - Member                 |
| 5. Jack G. Arroyo, Jr.         | - Independent Director   |
| 6. Consuelo M. Ynares-Santiago | - 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. 2017-06-06-04**  
**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 07 June 2016 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. 2017-06-06-05**  
**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 2016.”

**VIII. APPROVAL OF CHANGES IN AUTHORIZED SIGNATORIES**

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

**Stockholders' Resolution No. 2017-06-06-06**  
**Change in Authorized Signatories**

“**RESOLVED**, as it is resolved, that the stockholders approve the replacement of Mr. Alexander B. M. Simon by Mr. Paul D. Causon as authorized signatory of the Corporation in all its corporate transactions in view of the resignation of Mr. Simon as Chief Finance Officer and the appointment of Mr. Causon as the new Chief Finance Officer of the Corporation effective 30 March 2017.”

**IX. ADJOURNMENT**

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