

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

**SMC GLOBAL POWER HOLDINGS CORP.**

Held on 04 June 2019, 2:00 p.m.  
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 Common 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
Josefina Guevara-Salonga	500
 Total Number of Shares Present:	 1,250,004,000
 Total Number of Shares Issued and Outstanding:	 1,250,004,000
 Percentage of shares present and voting	 100%

**ALSO PRESENT:**

Elenita D. Go  
Paul Bernard D. Causon  
Ramon U. Agay  
Harold M. Abrenica  
Jose Mari R. Valte  
Julie Ann B. Domino  
Beatriz Irina Denise A. Garcia  
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 AND VOTING PROCEDURE**

Stockholders owning or representing 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.

For each Agenda Item, a motion shall be made by any stockholder and when duly seconded by another shareholder (there being no objections from any stockholder) shall be declared as duly approved and carried by the all the stockholders present in the meeting. Should there be any objection from a stockholder, such objection shall be registered as a dissent to and a vote against the passage of the subject resolution. For purposes of election of the members of the Board of Directors, a stockholder may vote the number of common shares held in his name in the stock and transfer book of the Corporation and may vote such number of common shares for as many persons as there are directors to be elected or he may cumulate said common shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his common shares shall equal, or he may distribute them on the same principle as 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 common shares owned by him as shown in the books of the Corporation multiplied by the total number of directors to be elected.

## **III. APPROVAL OF THE PREVIOUS MEETING MINUTES**

The Minutes of the Annual Stockholders' Meeting held on 05 June 2018 was 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. 2019-06-04-01** **Approval of Previous Meeting Minutes**

**"RESOLVED**, as it is hereby resolved, that the stockholders approve the Minutes of the Annual Stockholders' Meeting held on 05 June 2018."

## **IV. APPROVAL OF THE 2018 AUDITED FINANCIAL STATEMENTS**

Mr. Paul D. Causon, the Chief Finance Officer of the Corporation, presented to the Board the 2018 Audited Financial Statements, summarized as follows:

SMC Global Power increased its consolidated revenues in 2018 by 45% to ₱120.1 Billion due to the additional generation from the Masinloc Power Plant and the additional units of the Limay and Malita Power Plants.

The increase in the generating capacity is due to the improved in operations of the IPPA Power Plants particularly the lower outage hours of Sual Power Plant and better hydrological conditions of San Roque Power Plant and the additional capacity from Masinloc, Limay and Malita Power Plants which contributed over 974MW of additional capacity during the year. In addition, Masinloc also has a Battery Energy Storage with an installed capacity of 10MW.

Operating income ended 37% higher at ₱33.2 Billion while net income for 2018 amounted to ₱8.3 Billion which is 1% higher than prior year despite the ₱5.3 Billion in forex losses compared to last year's forex loss of ₱632 Million.

Total assets of the Group increased by 41% due mainly to the consolidation of Masinloc entities total assets comprising of the Masinloc Power Plant and related facilities, trade receivables and other assets; initial goodwill recognized on the aforesaid acquisition; and higher trade and other receivables of the Group.

Total liabilities increased by 37% due to net effect of the (i) availment of long-term debt to finance the Masinloc acquisition; (ii) project financing facility availed for the Malita Power Plant; (iii) issuance of peso fixed rate bonds by SMC Global Power to redenominate USD loans; and (iv) consolidation of Masinloc entities total liabilities; partly offset by the payment of finance lease liabilities by the IPPAs.

Total shareholder's equity reached ₱95.8 Billion, which was 60% higher than 2017 due to the net result of the issuance of redeemable perpetual securities to SMC to partially fund the Masinloc acquisition, net income for the year at ₱8.3 Billion and distributions paid to the holders of perpetual securities.

The 2018 Audited Financial Statements of the Corporation are included in the Definitive Information Statement provided to the stockholders.

The Chairman then proceeded with the open forum. After giving sufficient time and opportunity for any of the stockholders to ask questions, none of the stockholders asked any questions. As such, the Chairmand proceeded to entertain a motion to approve the 2018 Audited Financial Statements of the Corporation as presented.

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

**Stockholders' Resolution No. 2019-06-04-02**  
**Approval of 2018 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 2018.”

**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. 2019-06-04-03**  
**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**

The Chairman presented to the stockholders the acts and proceedings of the Board of Directors and corporate officers for approval of the stockholders, as set out in the minutes of meetings of the Board of Directors and as disclosed in the Definitive Information Statement of the Corporation.

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

**Stockholders' Resolution No. 2019-06-04-04**  
***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 05 June 2018 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. 2019-06-04-05**  
***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 2019."

**VIII. ADJOURNMENT**

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

The voting results for each Agenda Item is set out in the attached Annex "A" hereof.

***ATTESTED BY:***

**RAMON S. ANG**  
Chairman

***Certified Correct:***

**VIRGILIO S. JACINTO**  
Corporate Secretary

Voting Results of each Agenda Item of the  
Annual Meeting of the Stockholders of  
SMC Global Power Holdings Corp. held on 04 June 2019

Agenda Item	Percentage of Outstanding Shares Voted For the Approval of the Agenda Item
Approval of the Minutes of the Annual Stockholders Meeting held on 05 June 2018	100%
Approval of the 2018 Audited Financial Statements	100%
Election of the Board of Directors For each of Ramon S. Ang, Ferdinand K. Constantino, Aurora T. Calderon, Virgilio S. Jacinto, Jack G. Arroyo, Jr., Consuelo M. Ynares-Santiago, and Josefina Guevara-Salonga	100%
Ratification of All Acts and Proceedings of the Board of Directors and Corporate Officers	100%
Appointment of External Auditors	100%