

**MINUTES OF THE REGULAR MEETING OF THE
STOCKHOLDERS
OF**

SAN MIGUEL PROPERTIES, INC.

Held on 10 May 2023
via remote communication

The Annual Stockholders' Meeting of the Company was conducted virtually and streamed live through <https://youtube.com/live/oVBYOgVuIZg>. Stockholders who were present in the meeting via remote communication, participated by voting through the sending of ballots, or by appointing the Chairman of the meeting as proxy pursuant to the rules provided in the Notice to the Meeting and the Definitive Information Statement of the Company.

PRESENT:

Stockholders

See Record of Attendance of Shareholders attached hereto as Exhibit "A".

Directors

Ms. Cecile L. Ang
Ms. Aurora T. Calderon
Justice Hector H. Hofileña
Justice Josefina Guevara-Salonga
Mr. Jeronimo U. Kilayko
Ms. Karen V. Ramos – General Manager

ALSO PRESENT:

Ferdinand K. Constantino, Board Advisor

IN ATTENDANCE:

Ms. Maria Alma C. Geronimo, Treasurer
Atty. Karen M. Cas-Caballa, Corporate Secretary
Atty. Jessehan P. Pia-Perillo, Assistant Corporate Secretary
Atty. Jonathan Sixto M. Poblete, Compliance Officer

I. CALL TO ORDER/CERTIFICATION OF NOTICE AND QUORUM

The meeting conducted remotely, via zoom, was called to order at 2:00 p.m. Mr. Ramon S. Ang, Chairman, requested Ms. Aurora T. Calderon to preside the meeting. The Corporate Secretary, Atty. Karen M. Cas-Caballa, certified that there are present in person or by proxy, about 99.86% of the outstanding capital stock of the Company. The Corporate Secretary informed the assembly that the Chairman holds proxy for stockholders owning 99.86% of the outstanding capital stock and will vote in favor of all agenda items presented at the meeting.

II. APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING OF THE STOCKHOLDERS

On motion duly made and seconded, the stockholders approved the minutes of the Regular Annual Meeting of the Stockholders held on 11 May 2022.

III. PRESENTATION OF ANNUAL REPORT

Ms. Karen V. Ramos, General Manager, presented the Annual Report to the stockholders. A copy of the report is attached hereto as Exhibit "B".

After the report, Atty. Cas-Caballa read the following questions submitted in advance by the registered stockholders to the email addresses of the Company and the SMC Stock Transfer Office:

1. *Is San Miguel Properties back to its pre-pandemic financial performance?*

Ms. Ramos replied “In terms of its Hotel revenue and occupancy, we can already see the numbers catching up to pre-pandemic levels. Other than Hotel Revenue, the main drivers of the Company’s financial performance are its service income and leasing operations which have remained stable.”

2. What are the future projects of San Miguel Properties?

Ms. Ramos replied “The Company is currently conducting feasibility studies for possible residential developments in the area of Cavite, Batangas, and Laguna in order to generate inventory for residential projects.”

3. What plans does SMPI have for its Service business? Does it plan on expanding further?

Ms. Ramos replied “The Company currently has plans for continued growth of its Service Business. In fact, we are currently still increasing our capacity by another 5 to 10% to service our clients’ needs, a large majority of which is for the infrastructure right-of-way acquisitions. For as long as there is a continued push for infrastructure development in the country, the Company’s Service Business will aim to grow in order to provide the services needed by the SMC Group.”

There being no more questions or comments, upon motion duly made and seconded, the stockholders closed the Question and Answer session, and approved the Annual Report, as presented.

IV. RATIFICATION OF ALL ACTS OF THE BOARD OF DIRECTORS AND THE CORPORATE OFFICERS

Ms. Calderon, proceeded to the next item on the agenda which is the ratification of all acts of the Board of Directors and corporate officers since 11 May 2022.

A stockholder moved to approve, confirm and ratify all acts, resolutions and proceedings of the Board of Directors and corporate officers since the Regular Meeting of the Stockholders held on 11 May 2022, as set forth or reported in the minutes of the meetings of the Board of Directors.

The motion was duly seconded and approved by a unanimous vote of the stockholders present and/or represented.

V. APPOINTMENT OF EXTERNAL AUDITORS

Ms. Calderon proceeded to the next item on the agenda which is the appointment of the Company’s external auditor.

Upon motion duly made and seconded, the appointment of Punongbayan and Araullo as external auditor was approved by a unanimous vote of the stockholders present and/or represented.

VI. ELECTION OF BOARD OF DIRECTORS

Ms. Calderon requested the Corporate Secretary to inform the assembly of the nominations received by the Board.

The Corporate Secretary read the names of the following qualified nominees:

1. Ramon S. Ang
2. Aurora T. Calderon
3. Cecile L. Ang
4. Hector L. Hofileña
5. Jeronimo U. Kilayko
6. Josefina Guevara-Salonga
7. Karen V. Ramos

Further to the nomination of Justice Josefina Guevara-Salonga and Mr. Jeronimo U. Kilayko as independent directors under the Information Statement, Ms. Ang also emphasized that their election, as independent directors, is a mandatory requirement of the Securities and Exchange Commission for good corporate governance.

A stockholder moved to dispense with the balloting for the election of directors considering that there are only seven (7) nominees and there are only seven (7) seats in the Board to be filled up. The motion was seconded. The same stockholder then moved that all the seven (7) nominees be unanimously elected as directors of the Company. The motion was seconded.

Ms. Calderon declared the nominees as elected and, on behalf of Management, welcomed the newly-elected Board of Directors and thanked the stockholders for their vote of confidence.

VII. ADJOURNMENT

There being no other matters to discuss, upon motion duly made and seconded, Ms. Calderon adjourned the meeting and thanked all stockholders for attending.

The voting results of the resolutions passed in this meeting are attached hereto as Exhibit "C".

[signature page follows]

A T T E S T E D:

AURORA T. CALDERON
Acting Chairperson


KAREN M. CAS-CABALLA
Corporate Secretary

DRAFT

SAN MIGUEL PROPERTIES, INC.
ANNUAL STOCKHOLDERS' MEETING
May 10, 2023

PERCENTAGE 99.86%
Attendees 7

Record Date: April 11, 2023

Stockholder Name	Common Shares	% of OS
SAN MIGUEL CORPORATION	1,368,354,345	99.86 %
Attendance by Proxy	1,368,354,345	99.86 %

Stockholder Name	Common Shares	% of OS
Cecile L. Ang	1	0.00 %
Aurora T. Calderon	1	0.00 %
Hector L. Hofileña	1	0.00 %
Josefina Guevara-Salonga	1	0.00 %
Jeronimo U. Kilayko	1	0.00 %
Karen V. Ramos	1	0.00 %
Attendance by in Person	6	0.00 %
TOTAL ATTENDANCE	1,368,354,351	99.86 %

TOTAL OUTSTANDING SHARES

(as of Record date)

1,370,238,027

TOTAL NO. OF STOCKHOLDER

(as of Record date)

909

Other Attendees:

Ferdinand K. Constantino
Maria Alma C. Geronimo
Karen M. Cas-Caballa
Jessehan P. Pia-Perillo
Jonathan Sixto M. Poblete

Ms. Karen V. Ramos, delivered the following message to the stockholders:

“To our stockholders, members of the Board, ladies and gentlemen, good afternoon.

For the year ended December 31, 2022, your Company’s total revenue increased from P1.8 Billion to P2.1 Billion or a 16% increase over last year. Except for real estate sales, all other revenue sources grew based on last year’s performance.

Hotel and resort revenue significantly grew from P497 Million to P867 Million or a 74% increase from 2021. Of the P2.1 Billion, hotel and resort contributed 41% of total revenue. The occupancy rate improved from 69% to 77% as mobility returned to the pre-pandemic levels and resurgence in travels which translated to an increase in ADR from P4,135 to P5,793. On the other hand, rental income slightly grew by 5% with an average occupancy rate of 98%.

Service income hiked from P325 Million to P453 Million and posted a 39% increase as compared with last year. This was attributed to the right-of-way services rendered by your Company to SMC’s Infrastructure Group where four (4) new tollway projects, namely, BTEX Segment 1, BTEX Tabang, MALEX, and PAREX were added to SMPI’s existing portfolio.

However, despite the increase in revenue, Operating Income decreased from P522 Million in 2021 to P500 Million in 2022 or a 4% decrease from last year due to a one-off property sale of General Trias, Cavite property to the Food Group in 2021 and decrease in residential sales brought by the Group’s depleting inventory. Consequently, the Net Income also dropped by 32% as compared with last year.

We would also like to present to our stockholders and Board of Directors, the Group’s Audited Financial Statements for the year ended December 31, 2022 and 2021. The Group’s Financial Position has a total asset of P59.2 Billion and P46.5 Billion as of December 31, 2022 and 2021, respectively. The Group’s Consolidated Income Statement has a net income after tax of P372 Million in 2022 and P559 Million in 2021. And lastly, your Company’s Consolidated Cash Flow as of December 31, 2022 has P2.0 Billion in cash and cash equivalents, the same level as in 2021. Please note that a copy of the Audited Financial Statements of the Group is attached to the Definitive Information Statement for the meeting, and has likewise been posted on the Group’s website.

Moving forward, your Company will continue to deliver right-of-way commitment to support Infra Group’s network of toll alignments connecting North to South Luzon. As a property developer, your Company is undertaking design development of an eco-tourism township project in Palawan.

We would like to thank our Chairman and our Board of Directors for their guidance during these challenging times. We are also grateful for the support and trust of our shareholders, partners and customers.

Lastly, we would like to thank the management team and our colleagues in San Miguel Properties, Inc. for their commitment and dedication.

Maraming salamat po!”

**Voting Results of each Agenda Item of the
Annual Meeting of the Stockholders of
San Miguel Properties, Inc. held on May 10, 2023**

Shareholders owning/holding 1,368,354,351 common shares or approximately 99.86% of the 1,370,238,027 issued and outstanding capital stock as of the Record Date for the May 10, 2023 annual stockholders’ meeting attended the meeting.

Agenda Item	Approving	Dissenting	Abstaining
Approval of Minutes of the 2022 Annual Stockholders’ Meeting	1,368,354,351 votes	None	None
Approval of Annual Report for the year ended December 31, 2022	1,368,354,351 votes	None	None
Ratification of all acts, resolutions and proceedings of the board of directors and corporate officers since the last Annual Stockholders Meeting on May 11, 2022	1,368,354,351 votes	None	None
Appointment of Punongbayan and Araullo. as external auditors for fiscal year 2023	1,368,354,351 votes	None	None
Election of Directors: Ramon S. Ang Cecile L. Ang Aurora T. Calderon Hector L. Hofileña Josefina Guevara-Salonga Jeronimo U. Kilayko Karen V. Ramos	All nominees for directors were unanimously elected by the stockholders with each director receiving 1,368,354,351 votes	None	None