

**MINUTES OF THE REGULAR MEETING OF THE
STOCKHOLDERS
OF
SAN MIGUEL PROPERTIES, INC.**

Held on 8 May 2024
via remote communication

The Annual Stockholders' Meeting of the Company was conducted virtually and streamed live through https://www.youtube.com/live/ZAP4ND7FX6A?si=m6l_Z4xSUHf2IGEq. 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

Mr. Ramon S. Ang
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 3:15 P.M. Mr. Ramon S. Ang, Chairman, requested Ms. Cecile L. Ang to preside the meeting. The Corporate Secretary, Atty. Karen M. Cas-Caballa, certified that there are present in person or by proxy, about 99.87% of the outstanding capital stock of the Company. The Corporate Secretary informed the assembly that the Chairman holds proxy for stockholders owning 99.87% 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 10 May 2023.

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. One of the matters for approval for this meeting is the proposed increase in the Authorized Capital Stock of SMPI. May we ask where will the additional capital be used?

Ms. Ramos replied “The Company intends to use the additional capital to fund ongoing projects in Bataan and Palawan. It will also fund land banking activities in strategic locations in Metro Manila and in Cavite.”

2. What is SMPI’s outlook for the year 2024?

Ms. Ramos replied “SMPI is optimistic to sustain revenue growth in our hotel business segment. We are also initiating expansion of our core competencies to include property management and technical advisory in addition to the Company’s existing service offerings like land consolidation and acquisition-related services to the various business units under the San Miguel Group.”

3. Will SMPI expand its property development projects in 2024?

Ms. Ramos replied “For 2024, the Company will take a more conservative approach to property development. The Company will instead prioritize the delivery of right-of-way acquisition and land consolidation services for the various infrastructure projects of the San Miguel Group.”

4. How does SMPI develop sustainable programs in its projects?

Ms. Ramos replied “In line with the San Miguel Group’s mission to adhere to the principles of sustainable development, the Company is studying the development of an eco-tourism project in Palawan. For the communities where San Miguel projects are located, we continue to uplift the lives of our communities by providing employment opportunities, creating livelihood programs, ensuring social awareness, conducting trainings and implementing medical and other nutritional programs driven by our core value of Malasakit.”

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. Ang, proceeded to the next item on the agenda which is the ratification of all acts of the Board of Directors and corporate officers since 10 May 2023.

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 10 May 2023, 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. APPROVAL OF THE FOLLOWING:

Amendment of Articles of Incorporation to Increase the Authorized Capital Stock by PhP2,000,000,000.00, from PhP15,000,000,000.00, divided into 1,500,000,000 shares to PhP17,000,000,000.00, divided into 1,700,000,000 shares

Atty. Cas-Caballa presented to the stockholders the proposed increase the authorized capital stock (ACS) of the Company by P2,000,000,000.00, divided into 200,000,000 shares, at a par value of P10.00 per share. An application will be submitted to the Securities and Exchange Commission (SEC) for the amendment of Article VII of the Articles of Incorporation to increase the Company’s ACS. Approval of the stockholders was sought for the following:

- i. Increase in the Authorized Capital Stock (ACS) of the Company by P2,000,000,000.00, divided into 200,000,000 common shares, from P15,000,000,000.00 total ACS, divided into 1,500,000,000 common shares to P17,000,000,000.00 total ACS, divided into 1,700,000,000 common shares.

- ii. Amendment of Article VII of the Articles of Incorporation of the Company to reflect the above increase in the ACS, as follows:

“That the capital stock of the Corporation is **SEVENTEEN BILLION PESOS (P17,000,000,000.00)**, Philippine Currency, divided into **ONE BILLION SEVEN HUNDRED MILLION (1,700,000,000)** common shares at the par value of TEN PESOS (P10.00) per share. *(Amended by the Board of Directors on November 5, 2015 and by the Stockholders on December 17, 2015; and further amended by the Board of Directors on March 4, 2024 and by the Stockholders on 8 May 2024)*”

Subscription of San Miguel Corporation to 50,000,000 shares of the Company for a subscription price at PhP20.00 per share

In addition, Atty. Cas-Caballa sought the approval of the stockholders of the proposed subscription by San Miguel Corporation (SMC) to 50,000,000 shares in the Company at a subscription price of P20.00 per share or a total of P1,000,000,000.00 to the increase of authorized capital stock. The subscribed amount at par value of P10.00 will amount P500,000,000.00, while the other P10.00 per share or P500,000,000.00 will be treated as additional paid-in capital.

The proposed subscription of SMC will be paid for with the deposit for future stock subscription (DFFS) infused by SMC to address its capital requirements for various project developments, land acquisitions, and for payment of obligations and for general corporate purposes. The Company's current DFFS balance is PhP968,625,960.00, of which P748,125,960.00 of such was received and recorded as of 31 December 2023. The payment to the remaining balance to the subscription shall continue to be treated as DFFS until the approval of the increase of authorized capital stock has been approved by the Securities and Exchange Commission.

Upon motion duly made and seconded, the foregoing matters were approved by a unanimous vote of the stockholders present and/or represented.

VI. APPOINTMENT OF EXTERNAL AUDITORS

Ms. Ang 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.

VII. ELECTION OF BOARD OF DIRECTORS

Ms. Ang 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. Ang 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.

VIII. OTHER MATTERS / ADJOURNMENT

There being no other matters to discuss, upon motion duly made and seconded, Ms. Ang 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]

DRAFT

A T T E S T E D:

CECILE L. ANG
Acting Chairperson


KAREN M. CAS-CABALLA
Corporate Secretary

DRAFT

SAN MIGUEL PROPERTIES, INC.
ANNUAL STOCKHOLDERS' MEETING
May 8, 2024

PERCENTAGE 99.87440%
ATTENDEES 8

Record Date: April 11, 2024

| Stockholder Name | Common Shares | % of OS |
|----------------------------|----------------------|----------------|
| SAN MIGUEL CORPORATION | 1,497,800,547 | 99.87 % |
| Attendance by Proxy | 1,497,800,547 | 99.87 % |

| Stockholder Name | Common Shares | % of OS |
|--------------------------------|----------------------|----------------|
| Ramon S. Ang | 1 | 0.00 % |
| 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 | 7 | 0.00 % |
| TOTAL ATTENDANCE | 1,497,800,554 | 99.87 % |

TOTAL OUTSTANDING SHARES
(as of Record date) **1,499,684,229**
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
Karen M. Malabanan
Malvin H. Jose

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, 2023, your Company’s total revenue increased from P 2.1 Billion to P 2.8 Billion or a 30% increase over last year due to the significant improvement in real estate sales and hotel revenue.

Real estate sales hiked from P 93 Million to P 343 Million due to the sale of properties in General Trias, Cavite and Quezon City amounting to P 185 Million and the timely booking of seven (7) Doverhill units amounting to P 152 Million.

Hotel and resort business grew from P 867 Million to P 1.15 Billion or a 33% increase from last year’s revenue. Occupancy rate improved from 77% to 80% as well as the increase in average daily rate from P 5,793 to P 6,908 as a result of improved business setting and market demand.

On the other hand, rental income slightly grew by 2% with an average occupancy rate of 99%.

Service income grew from P 453 Million to P 533 Million and posted an 18% 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 three (3) new tollway projects, namely, NBEX, CBEX and C3-R10 were added to SMPI’s existing portfolio. To date, nineteen (19) tollway projects are currently being handled by your Company.

Due to the strong performance of our real estate, service income and hotel business, the Group’s Operating Income jumped from P 500 Million in 2022 to P 709 Million in 2023 or a 42% increase from last year.

Bank of Commerce also registered a better performance for the year resulting to an increase in equity in earning of associates by P 369 Million.

Driven by the robust revenue growth of our hotel business segment and improvement in the share in equity earnings, the Group’s net profit improved from P 372 Million to P 422 Million or an 13% increase as compared with last year.

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 and land consolidation for the Bulacan Airport and real estate requirements for various business units of SMC.

We would like to thank our Chairman and our Board of Directors for their support and guidance. And we are also grateful for the 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 8, 2024**

Shareholders owning/holding 1,497,800,554 common shares or approximately 99.87% of the 1,499,684,229 issued and outstanding capital stock as of the Record Date for the May 8, 2024 annual stockholders’ meeting attended the meeting.

| Agenda Item | Approving | Dissenting | Abstaining |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|
| Approval of Minutes of the 2023 Annual Stockholders’ Meeting | 1,497,800,554 votes | None | None |
| Approval of Annual Report for the year ended December 31, 2023 | 1,497,800,554 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 10, 2023 | 1,497,800,554 votes | None | None |
| Approval of the following: (1) Amendment of Articles of Incorporation to Increase the Authorized Capital Stock by PhP2,000,000,000.00 (2) Subscription of San Miguel Corporation to 50,000,000 shares of the Company for a subscription price at PhP20.00 per share | 1,497,800,554 votes | None | None |
| Appointment of Punongbayan and Araullo. as external auditors for fiscal year 2024 | 1,497,800,554 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 1,497,800,554 votes | None | None |