

*(Draft Only)*

**MINUTES OF THE ANNUAL MEETING  
OF THE STOCKHOLDERS  
OF  
TOP FRONTIER INVESTMENT HOLDINGS, INC.**

Held through remote communication and livestreamed from  
No. 40 San Miguel Avenue, Mandaluyong City  
via the Company's website  
<https://www.topfrontier.com.ph/index.php/investor/TFASM2020.html>  
on July 09, 2020, 2:00 p.m.

Total Number of Shares Present:	Common	-	297,951,214 (89.51%)
	Preferred	-	1,904,540 (100%)
	Total	-	299,857,754 (89.57%)

Total Number of Shares Issued and Outstanding:	Common	-	332,886,167
	Preferred	-	1,904,540
	Total	-	334,790,707

List of Stockholders Present: Please see Annex "A"

Voting Results: Please see Annex "B"

Directors Present:

Iñigo U. Zobel  
Ramon S. Ang  
Ferdinand K. Constantino  
Aurora T. Calderon  
Consuelo M. Ynares-Santiago  
Minita V. Chico-Nazario  
Teresita J. Leonardo-De Castro

Officers Present:

Bella O. Navarra  
Virgilio S. Jacinto  
Maria Rosario B. Balanza  
Ramon R. Bantigue  
Irene M. Cipriano

**1. CALL TO ORDER**

Mr. Iñigo U. Zobel, the Chairman of the Board, called the meeting to order and presided over the same.

After the singing of the National Anthem, Ms. Doris J. Ong, led the invocation.

On behalf of the Board of Directors, officers and employees of the Company, the Chairman extended his heartfelt condolences to the family and loved ones of the Chairman and Chief Executive Officer of San Miguel Corporation, Mr. Eduardo M. Cojuangco, Jr., and extended deepest gratitude and sincerest appreciation to Mr. Cojuangco for his invaluable service and contribution to the entire San Miguel Group.

**2. CERTIFICATION OF NOTICE AND QUORUM**

The Corporate Secretary, Atty. Virgilio S. Jacinto, certified that notices to the shareholders were duly sent in accordance with the relevant rules and regulations of the Securities and Exchange Commission. He certified that there are present in person or by proxy, stockholders owning and/or representing approximately 89.51% of the outstanding common shares, and 100% of the outstanding preferred shares, for a total of approximately 89.57% of the outstanding capital stock of the Company.

Atty. Jacinto stated, for the record, that proxies executed by stockholders owning and/or representing approximately 89.50% of the outstanding common and preferred shares of the Company have been issued in favor of the Chairman authorizing him to vote for the approval of all corporate actions in the Agenda of the meeting circulated to the stockholders. He reiterated that voting shall be made in accordance with the procedure set forth in the Information Statement, as available in the Company's website and in the PSE Edge, and hereto attached as Annex "C".

The Corporate Secretary acknowledged the attendance of all the incumbent directors of the Company, as well as the Company's external auditor for 2019, R.G. Manabat & Co. He advised the stockholders that after the Annual Report there will be an open forum. Questions sent to the Company's dedicated email address for the meeting will be entertained. He further explained that questions not answered during the meeting will be replied to by the Office of the Corporate Secretary. Thereafter, the full agenda of the meeting was presented, and referred to the Information Statement for the rationale for each agenda item.

**3. APPROVAL OF PREVIOUS MEETING MINUTES**

The Chairman proceeded to the next item on the Agenda, the Approval of the Minutes of the Annual Stockholders' Meeting held on July 09, 2019, copies of the said Minutes have been attached to the Information Statement and made available for viewing in the Company's website.

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

**Stockholders Resolution No. 2020-07-09-01**  
***Approval of the Minutes of the Annual Stockholders’  
Meeting held on 09 July 2019***

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“RESOLVED, as it is hereby resolved, that the stockholders approve the Minutes of the Annual Stockholders’ Meeting held on July 09, 2019.”

**4. APPROVAL OF ANNUAL REPORT FOR 2019**

Ms. Aurora T. Calderon, a Director and the Treasurer of the Company, was requested by the Chairman to deliver the Annual Report for 2019. A copy of the report is attached hereto as Annex “D”.

Thereafter, the Chairman opened the floor for questions from the stockholders.

Mr. Hector Sanvictores asked, via email sent to the designated email address for the meeting, when the Company expects recovery from the COVID-19 pandemic to take place. Mr. Ramon S. Ang, the President and Chief Executive Officer of the Company, responded that unfortunately, no one is in a position to predict with precision when full recovery can take place, and that the world awaits for the discovery of the medicine for COVID-19 which will help economies all over to recuperate.

There being no other questions from the stockholders, upon motion duly made and seconded, and there being no objections, the stockholders unanimously resolved to close the open forum and approve the following resolution:

**Stockholders Resolution No. 2020-07-09-02**  
***Approval of the 2019 Annual Report of the Company***

“RESOLVED, as it is hereby resolved, that the stockholders approve and ratify the Annual Report of the Company for 2019, as presented.”

**5. RATIFICATION OF ALL ACTS OF THE BOARD OF DIRECTORS AND CORPORATE OFFICERS**

The Chairman announced that the next item on the Agenda is the Ratification of All Acts and Proceedings of the Board of Directors and the Corporate Officers since the Annual Stockholders’ Meeting held on July 09, 2019 until the date of the meeting. The Chairman referred to the following list of acts and proceedings for ratification by the stockholders.

- a. Approval of:
  - i. Minutes of Previous Meetings
  - ii. Quarterly reports on the financial performance and financial position of the Company
  - iii. Declarations of cash dividends to shareholders owning preferred shares
  - iv. Approval of the Company Policy on Material Related Party Transactions
  - v. Designation of Additional Authorized Representatives for Filings with the Philippine Competition Commission

- vi. 2019 Audited Financial Statements of the Company and the Annual Report (SEC Form 17-A)
  - vii. Self-rating forms of the Board Committees, the Board of Directors, and Management
  - viii. 2020 Internal Audit Plan and Certification on Sound Internal Audit, Control and Compliance System
  - ix. Approval of the record date and other significant dates and details for the 2020 Annual Stockholders' Meeting, approval of the holding thereof by remote communication, and approval of the procedure and details for attending, participating and casting of votes in the 2020 Annual Stockholders' Meeting
  - x. Report on the nominations and qualifications of the nominees for election to the Board
  - xi. Approval of the appointment of the external auditors for 2020, for approval and ratification by stockholders in the 2020 Annual Stockholders' Meeting
  - xii. Report on the Corporate Governance Committee validation of the results of the 2019 Performance Assessments of the Board Committees, the Board of Directors, and Management
  - xiii. Report on the filing of the 2019 Integrated Annual Corporate Governance Report (I-ACGR) of the Company
  - xiv. Report on the Filing of the Sustainability Report of the Company under Amended Annual Report (SEC Form 17-A)
- b. Election of lead independent director and officers;
  - c. Appointment of the Members of the Board Committees;
  - d. Designation of depository banks, appointment of authorized signatories for banking and other corporate transactions and approval of their signing authorities and limits.

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

**Stockholders Resolution No. 2020-07-09-03**  
***Ratification of All Acts of the Board of***  
***Directors and Corporate Officers***  
***since July 09, 2019 to July 09, 2020***

“**RESOLVED**, that all acts, resolutions and proceedings of the Board of Directors and corporate officers of the Company since the Annual Meeting of the Stockholders on July 09, 2019 until today, July 09, 2020, as set forth in the minutes of the meetings of the Board of Directors be, as they hereby are, approved, confirmed and ratified.”

**6. APPOINTMENT OF EXTERNAL AUDITORS**

The Chairman proceeded to the nomination for the position of external auditors of the Company for fiscal year 2019. Justice Minita V. Chico-Nazario, an Independent Director and Chairperson of the Audit and Risk Oversight Committee, reported to the stockholders that the Audit and Risk Oversight Committee and the Board, after evaluation, recommend the appointment of the accounting firm of R.G. Manabat & Co. as the external auditors of the Company for the fiscal year 2020.

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

**Stockholders Resolution No. 2020-07-09-04**  
**Appointment of External Auditors for 2020**

“**RESOLVED**, as it is hereby resolved, that R. G. Manabat & Co. be, as they hereby are, appointed as the external auditors of the Company for the fiscal year 2020.”

**7. ELECTION OF DIRECTORS**

The Corporate Secretary, upon request of the Chairman, presented to the stockholders the names of the nominees for election to the Board of Directors, namely:

1. Iñigo U. Zobel
2. Ramon S. Ang
3. Ferdinand K. Constantino
4. Aurora T. Calderon
5. Consuelo M. Ynares-Santiago - Independent Director
6. Minita V. Chico-Nazario - Independent Director
7. Teresita J. Leonardo-De Castro - Independent Director

The Chairman explained that the Information Statement circulated to the stockholders the names of the nominees for election as independent directors of the Board of Directors were mentioned and they are Justices Consuelo M. Ynares-Santiago, Minita V. Chico-Nazario, and Teresita J. Leonardo-De Castro. The Chairman likewise informed the stockholders that the Board has identified the named independent directors to comply with the mandatory requirements imposed by the Securities and Exchange Commission.

Considering that: (a) the number of directors to be elected is seven (7) and there are only seven (7) nominees, and (b) as earlier reported by the Corporate Secretary, proxies for 89.50% of the total outstanding common and preferred shares of the Company have been issued by the stockholders in favor of the Chairman authorizing him to vote for the approval of all corporate acts which require the conformity of the stockholders as provided in the agenda for this meeting, which includes the election of directors, a motion was made that all votes of stockholders present and represented by proxies issued in favor of the Chairman be distributed among the seven (7) nominees and recorded accordingly, and as such, all the seven (7) nominees be considered unanimously elected as directors of the Company for the ensuing year, until their successors are elected and qualified.

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

**Stockholders Resolution No. 2020-07-09-05**  
**Election of Directors**

“**RESOLVED**, that the following be, as they hereby are, elected as members of the Board of Directors of the Company, to serve as such for the ensuing year, until their successors are duly elected and qualified:

1. Iñigo U. Zobel
2. Ramon S. Ang
3. Ferdinand K. Constantino
4. Aurora T. Calderon
5. Consuelo M. Ynares-Santiago - Independent Director
6. Minita V. Chico-Nazario - Independent Director
7. Teresita J. Leonardo-De Castro - Independent Director”

On behalf of Management, the Chairman welcomed the newly-elected members of the Board of Directors and thanked the stockholders for their vote of confidence.

**8. ADJOURNMENT**

The Chairman inquired if any of the stockholders have any matter to present in the assembly.

There being no other matters to be discussed, the meeting was adjourned upon motion duly made and seconded. The Chairman thanked all stockholders present for attending the meeting.

**ATTEST:**

**IÑIGO U. ZOBEL**  
Chairman

**VIRGILIO S. JACINTO**  
Corporate Secretary

## List of Stockholders Present

Top Frontier Investment Holdings, Inc.  
Annual Stockholders' Meeting  
July 9, 2020

WITH PROXY ISSUED IN FAVOR OF THE CHAIRMAN	No. of Common Shares	No. of Preferred Shares	Total Shares	% out of total O/S Common SH	% out of total O/S Capital Stock
Iñigo Zobel	199,601,517	0	199,601,517	59.96%	59.62%
Master Year Limited	49,799,800	0	49,799,800	14.96%	14.87%
Privado Holdings, Corp.	36,858,551	0	36,858,551	11.07%	11.01%
Ramon S. Ang	75,887	0	75,887	0.02%	0.02%
Millennium Energy, Inc.	1,080,738	0	1,080,738	0.32%	0.32%
Marine Shore Investment Holdings, Inc.	258,767	0	258,767	0.08%	0.08%
Columbus Capitana Corporation	239,233	0	239,233	0.07%	0.07%
Q-Tech Alliance Holdings, Inc.	45,600	0	45,600	0.01%	0.01%
San Miguel Corporation	2,561,068	1,904,540	4,465,608	0.77%	1.33%
Retirement Plans:					
SMC-RDBP	139	0	139	0.00%	0.00%
San Miguel Corporation Retirement Plan - STP	1,500	0	1,500	0.00%	0.00%
San Miguel Corporation Retirement Plan (lodged)	1,913,608	0	1,913,608	0.57%	0.57%
San Miguel Corporation Retirement Plan - STP (lodged)	194,229	0	194,229	0.06%	0.06%
SMFI Retirement Plan (lodged)	1,282,869	0	1,282,869	0.39%	0.38%
SMB Retirement Plan (lodged)	1,863,814	0	1,863,814	0.56%	0.56%
SMYPC Retirement Plan (lodged)	927,260	0	927,260	0.28%	0.28%
GSMI Retirement Plan (lodged)	5,260	0	5,260	0.00%	0.00%
Banks:					
HSBC	93,984	0	93,984	0.03%	0.03%
SCB	12,955	0	12,955	0.00%	0.00%
Citibank	884,465	0	884,465	0.27%	0.26%
Aurora T. Calderon	2,360	0	2,360	0.00%	0.00%
Ferdinand K. Constantino	14,850	0	14,850	0.00%	0.00%
Virgilio S. Jacinto	2,562	0	2,562	0.00%	0.00%
Bella Navarra	10,260	0	10,260	0.00%	0.00%
Irene Cipriano	1,000	0	1,000	0.00%	0.00%
<b>TOTAL</b>	<b>297,732,276</b>	<b>1,904,540</b>	<b>299,636,816</b>	<b>89.44%</b>	<b>89.50%</b>
<b>WITH BALLOT</b>					
Deutsche Bank (ballot)	218,838	0	218,838	0.07%	0.07%
Consuelo Ynares-Santiago (ballot)	100	0	100	0.00%	0.00%
<b>TOTAL</b>	<b>218,938</b>	<b>0</b>	<b>218,938</b>	<b>0.07%</b>	<b>0.07%</b>
<b>GRAND TOTAL</b>	<b>297,951,214</b>	<b>1,904,540</b>	<b>299,855,754</b>	<b>89.51%</b>	<b>89.57%</b>
<b>TOTAL OUTSTANDING SHARES</b>	<b>332,886,167</b>	<b>1,904,540</b>	<b>334,790,707</b>		

## Voting Results

Election of the Board of Directors		
<b>NO.</b>	<b>NOMINEE</b>	<b>TOTAL</b>
1	IÑIGO U. ZOBEL	297,951,214
2	RAMON S. ANG	297,948,274
3	FERDINAND K. CONSTANTINO	297,947,814
4	AURORA T. CALDERON	297,921,814
5	CONSUELO M. YNARES-SANTIAGO	297,947,814
6	MINITA V. CHICO-NAZARIO	297,951,214
7	TERESITA J. LEONARDO-DE CASTRO	297,951,214
	TOTAL	2,085,619,358

<b>RESOLUTION</b>	<b>FOR</b>		<b>AGAINST</b>		<b>ABSTAIN</b>		<b>TOTAL</b>	
Approval of the Minutes of the Annual Stockholders' Meeting held on July 09, 2019	297,951,214	100%	0	0%	0	0%	297,951,214	100%
Approval of the Annual Report of the Company for year ended December 31, 2019	297,827,289	99.96%	0	0%	123,925	0.04%	297,951,214	100%
Ratification of all the acts and proceedings of the Board of Directors and Officers since the 2019 Annual Stockholders' Meeting to date	297,827,289	99.96%	0	0%	123,925	0.04%	297,951,214	100%
Appointment of R.G. Manabat & Co. as external auditors of the Company for fiscal year 2020	297,951,214	100%	0	0%	0	0%	297,951,214	100%

Total Number of Shares Present in Person, by Ballot, and by Proxy: Common - 297,951,214

### Voting Procedure

1. Under Voting and Voting Procedure (page 6 of the Information Statement)

"A stockholder may vote the number of shares held in his/her/its name in the Company's stock and transfer books as of June 11, 2020. Holders of common shares have the right to vote on all matters requiring stockholders' approval, and are entitled to vote at the meeting by submission of the ballots or proxies in accordance with the procedure set out herein. The voting and voting procedure are detailed in pages 8 and 36 of this Information Statement."

2. Under Voting Securities and Principal Holders Thereof (page 8 of the Information Statement)

"The record date with respect to the 2020 Annual Stockholders' Meeting is June 11, 2020. Only stockholders of record at the close of business on June 11, 2020 will be entitled to vote at the meeting.

Holders of common shares have the right to vote on all matters requiring stockholders' approval.

Holders of the preferred shares shall not be entitled to vote except in matters provided for in the Revised Corporation Code, namely: amendment of Articles of Incorporation; adoption and amendment of By-laws; sale, lease, exchange, mortgage, pledge, or other disposition of all or substantially all of the corporate property; incurring, creating or increasing bonded indebtedness; increase or decrease of capital stock; merger or consolidation with another corporation or other corporations; investment of corporate funds in another corporation or business; and dissolution. None of the foregoing matters forms part of the Agenda of the 2020 Annual Stockholders' Meeting.

Every stockholder entitled to vote shall be entitled to one (1) vote, in person, *in absentia*, or by proxy, for each share of stock registered in his/her/its name in the books of the Company, for each matter presented for the approval of the stockholders (except for election of directors, which is set out in the immediately succeeding paragraph).

With respect to the election of directors, in accordance with Section 23 of the Revised Corporation Code, a stockholder may vote the number of common shares held in his/her/its name in the Company's stock and transfer book as of June 11, 2020, 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 (1) candidate as many votes as the number of directors to be elected multiplied by the number of his/her/its common shares shall equal, or he may distribute them on the same principle 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 Company multiplied by the total number of directors to be elected.

The total number of votes that may be cast by a stockholder for the election of directors of the Company is computed as follows: number of common shares held on record as of record date multiplied by seven (7) directors.

3. Under Voting Procedures (page 36 of the Information Statement)

“In all proposals or matters for approval (except for election of directors), each share of stock entitles its registered owner (who is entitled to vote on such particular matter) to one (1) vote. In case of election of directors, cumulative voting as set out in page 8 of this Definitive Information Statement shall be adopted. For the election of directors, the seven (7) nominees with the greatest number of votes will be elected as directors. Counting of the votes will be done by the Corporate Secretary or Assistant Corporate Secretary with the assistance of the independent auditors and the Company's stock transfer agent.

Considering that the 2020 Annual Stockholders' Meeting will be held via remote communication, votes of all stockholders on any or all of the proposals or matters submitted at the meeting can be cast through ballots or proxies submitted on or before June 25, 2020 by email sent to ASM2020@topfrontier.com.ph or by mail sent to the SMC Stock Transfer Service Corporation office located at the 2<sup>nd</sup> Floor, SMC Head Office Complex, No. 40 San Miguel Avenue, Mandaluyong City 1550, Metro Manila, Philippines. Ballots and proxies need not be notarized. A sample of the ballot and proxy included in this Information Statement. Validation of ballots and proxies will be on July 02, 2020 at 2:00 p.m. at the SMC Stock Transfer Service Corporation office located at the above-mentioned address.

For an individual, his/her ballot or proxy must be accompanied by a scanned copy of his/her valid government-issued identification card with photo for verification of identity. For a corporation, its ballot or proxy must be accompanied by its Corporate Secretary's certification setting the representative's authority to vote and/or represent the corporation in the meeting, where applicable. Hard copies of the ballots and proxies and notarized Secretary's Certificates are requested to be sent to the SMC Stock Transfer Service Corporation office located at the above-mentioned address within a reasonable time after the resumption of regular business operations.”

## Annual Report for 2019

Good afternoon, fellow stockholders.

Allow me to begin by offering my condolences to the family of Mr. Eduardo Cojuangco Jr. The news of his demise came as a shock to us. He was a well-loved and respected leader who exemplified our core value of *malasakit* and guided us in making it a part of our everyday lives. We will miss him greatly.

COVID-19 is a crisis unlike any other in recent times, one that has no playbook for us to live by. While some companies are holding up just fine, others continue to fight for survival and quite a number have already failed. Every company faced its own unique set of challenges. Even your company was not immune to the effects of this pandemic.

But what was clear to us from the very start was that this pandemic is an opportunity for us to reaffirm the reason for our being, what our businesses stand for and why they matter.

As the parent company of San Miguel Corporation, we are especially proud of the contributions it has made to the fight against COVID-19 and how it was able to balance the need to both look inward and outward to a wider society, and how it can be part of the solution to the shared challenges we are facing.

What it has done from day 1 of the pandemic to this day was nothing short of amazing as it took care of communities and businesses closest to its home, those that depend on the company to survive and stay afloat in these trying times.

San Miguel’s response has been among, if not, the most aggressive, as it spent over P13 billion in terms of food and disinfectant alcohol donations to vulnerable communities, medical equipment and PPEs, free toll and fuel for medical health workers, building of emergency quarantine facilities for COVID-19 patients, assistance to the agriculture sector, advance tax and other payments to government and most especially continuing compensation for 70,000 in its workforce.

It is a privilege to be part of these response and recovery initiatives that made a difference in the lives of so many people.

We want to assure you, our shareholders, that your company continues to build for long-term value and that we will emerge from this crisis in a much stronger position.

Allow me to report to you our 2019 financial results:

Consolidated revenues reached P1.02 trillion, reflecting strong revenues from most of our major businesses.

Our Beer, Spirits, and Power businesses performed very well, allowing us to end the year with a consolidated operating income of P114.1 billion and a consolidated net income of P48.6 billion. EBITDA of P160.3 billion was 3% higher than in 2018.

The challenges facing the oil industry affected the revenue contribution of Petron.

San Miguel Foods, meanwhile, was hit by volatile input costs and supply glut in poultry. Complicating matters is the African Swine Flu that adversely affected hog and feed volumes. Thankfully, we have seen marked improvement in the performance of San Miguel Foods in the first quarter of 2020.

Clariden Holdings, Inc., our other subsidiary managing our mining assets, continues to undertake mine site activities, including in-fill drilling, that are consistent with existing mining laws and mindful of our environmental and social impact. We will continue to make sure that our country benefits from our mineral wealth as we adopt measures to deliver a more inclusive and responsible mining sector.

The disruptions resulting from the lockdown in Luzon and much of the Philippines adversely affected Top Frontier's first-quarter 2020 performance.

While the pandemic has brought about significant changes in the business landscape, it has also brought out the best in our Company.

San Miguel has quickly pivoted to support our government, medical practitioners, and the Filipino people, during this crisis. It produced disinfectant alcohol for donation to hospitals and communities. It donated flour, bread and other essential food items to respond to food security challenges during the pandemic. Moreover, its continuing donations of medical equipment, COVID-19 RT-PCR testing machines, ventilators, quarantine facilities, and PPEs substantially augmented Government efforts to limit and contain the ill-effects of COVID-19.

Through its San Miguel Foundation, it has also opened its first COVID-19 RT-PCR testing laboratory capable of processing 4,000 tests per day and expandable to 12,000. This laboratory will test all 70,000 employees and third-party providers to continue producing essential goods and providing services in the safest possible way.

As we transition to our next normal, I am confident that Top Frontier will recover its footing sooner than expected.

Our supply chains are more resilient. We are updating our operating and selling models to make these more robust to adapt to the new business environment. Our cost base remains appropriate and manageable. We are also increasing efficiencies and rationalizing spending while working to protect our cash flow and are pro-actively manage our working capital.

With these, we are pushing through with our major expansion initiatives and infrastructure projects, including our plan to build the airport. By leading the way and balancing the needs of the economy with public safety in mind, we hope to be able help restore public confidence in the economy and get our nation back on its feet. *Sama-sama babangon tayo.*

Thank you and keep safe, everyone.