

**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/TFASM2022.html>

on July 08, 2022, 2:00 p.m.

Total Number of Shares Present:	Common	-	297,386,215 (89.34%)
	Preferred	-	1,904,540 (100%)
	Total	-	299,290,755 (89.40%)

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"

Incumbent and Incoming Directors Present:

Iñigo U. Zobel
Ramon S. Ang
John Paul L. Ang
Aurora T. Calderon
Consuelo M. Ynares-Santiago
Teresita J. Leonardo-De Castro
Ricardo C. Marquez

Officers Present:

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

1. CALL TO ORDER

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

After the singing of the National Anthem, Ms. Rosario B. Balanza, the Company's Investment Relations Officer, led the invocation.

2. CERTIFICATION OF NOTICE AND QUORUM

Atty. Virgilio S. Jacinto, the Corporate Secretary of the Company, 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 89.34% of the outstanding common shares, and 100% of the outstanding preferred shares, for a total of approximately 89.40% of the outstanding capital stock of the Company.

Atty. Jacinto stated, for the record, that proxies executed by stockholders owning and/or representing approximately 89.34% of the outstanding common of the Company have been issued in favor of the Chairman of the Meeting 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".

Atty. Jacinto acknowledged the attendance of all the incumbent and incoming directors of the Company, as well as the Company's external auditor for 2021, 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

Mr. Zobel proceeded to the next item on the Agenda, the Approval of the Minutes of the Annual Stockholders' Meeting held on July 09, 2021, 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. 2022-07-08-01
Approval of the Minutes of the Annual Stockholders’
Meeting held on 09 July 2021

“**RESOLVED**, as it is hereby resolved, that the stockholders approve the Minutes of the Annual Stockholders’ Meeting held on July 09, 2021.”

4. APPROVAL OF ANNUAL REPORT FOR 2021 AND OPEN FORUM

Ms. Aurora T. Calderon, a Director and the Treasurer of the Company, as requested by Mr. Zobel, delivered the Annual Report for 2021. A copy of the report is attached hereto as Annex “D”.

Thereafter, Mr. Zobel opened the floor for questions from the stockholders.

Atty. Jacinto announced that written questions submitted in advance will be read first.

Ms. Balanza read the written questions submitted in advance as follows.

Ms. Maria Esperanza Diaz from Laguna asked what is the outlook for the Company for 2022. Ms. Calderon responded that all businesses delivered strong results in the first quarter of 2022. Barring any surge in COVID-19 cases, the Company is confident that its businesses will benefit from the re-opening of more sectors of the economy and be able to sustain full growth for the year 2022.

Mr. James Navarro from Marikina sent a question regarding the Company’s strategic thrusts for the coming years. Mr. Ramon S. Ang responded that the Company’s strategic thrust is to continue the expansion of its existing businesses. In relation the food and beverages business, six (6) new breweries, 2-million hectoliter each, are being constructed, and the expansion of the integrated poultry business with a capacity of 960-million birds a year, is also underway. As to the business of power generation, clean energy and Battery Energy Storage facilities are being constructed to address issues of power supply shortages. With regard to the infrastructure business, TR-4, which will connect Sto. Tomas, Batangas and Lucena City, Quezon is currently being built, together with TR-5, which will link Lucena City, Quezon to Matnog, Sorsogon. The TPLEX Extension is also being constructed, which will span from Rosario, La Union to San Juan, La Union. The C3-R10 Extension is also in the pipeline, which will connect the Metro Manila Skyway Stage 3 at Sgt. Rivera in Quezon City to the proposed Shoreline Expressway at R-10. To provide passengers and motorists access to and from the new airport in Bulacan, the Southern Access Link Expressway (SALEX) and the Northern Access Link Expressway (NALEX) will also be built as road connections to the New Manila International Airport (NMIA). The NMIA is designed to handle 100 million passengers with four (4) parallel runways and four (4) parallel taxi ways. Lastly, as to the fuel business, expansion plans for the Petron refinery are being drawn up in order to lower the cost of steam and ensure a more stable process. Thus, the Company is in expanding all existing businesses, while also increasing operations in cement manufacturing and banking.

Ms. Augustina Aguilar from Antipolo asked about the status of San Miguel Corporation's river clean-up projects. Mr. Ang replied that the company is just about to conclude the Tullahan River clean-up, having dredged 1.15 million ton of silt, solids, and garbage. Meanwhile, the Pasig River clean-up has dredged 267,000 tons of silt, solids, and garbage. Further, San Miguel Corporation also intends to help clean up the Meycauayan River and other smaller rivers in the Province of Bulacan in order to help restore the fishpond dikes of the airport's neighbors.

Ms. Thelma M. Arceo of Quezon City sent a question about the status of the MRT-7 Project. By way of response, Mr. Ang advised that partial operations and test runs of the MRT-7 are set by the end of this year. Contractor delay has caused some slide in the schedule, but work on the train depot in San Jose del Monte, Bulacan has started and the management is hopeful that the project will be open to the public by the end of next year.

There being no other questions received 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. 2022-07-08-02
Approval of the 2021 Annual Report of the Company

"RESOLVED, as it is hereby resolved, that the stockholders approve and ratify the Annual Report of the Company for 2021, as presented."

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

Mr. Zobel proceeded with the next item on the Agenda, which 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, 2021 until today. Atty. Jacinto referred to the following list of acts and proceedings, for reference purposes, 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. 2021 Audited Financial Statements of the Company and the Annual Report (SEC Form 17-A)
 - v. Performance Assessment Self-rating forms of the Board Committees, the Board of Directors, and Management for 2021
 - vi. 2022 Internal Audit Plan and Certification on Sound Internal Audit, Control, and Compliance System
 - vii. Approval for the record date and other significant dates and details for the 2022 Annual Stockholders' Meeting, approval of the holding thereof by remote communication, and the approval of the procedure and details for attending, participating, and casting of votes in the 2022 Annual Stockholders' Meeting
 - viii. Report on the nominations and qualifications of the nominees for election to the Board
 - ix. Approval of the Appointment of the External Auditors for 2022, for approval and ratification by stockholders in the 2022 Annual Stockholders' Meeting

- x. Report on the Corporate Governance Committee validation of the results of the 2021 Performance Assessments of the Board Committees, the Board of Directors, and the Management
- xi. Report on the Filing of the 2021 Integrated Annual Corporate Governance Report (I-ACGR) of the Company
- 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; and
- e. To fill- up the vacancies in the Board and Board Committees in view of the demise of Justice Minita V. Chico-Nazario: (i) the election of Gen. Ricardo C. Marquez as independent director of the Company, by the remaining members of the Board while still constituting a quorum; (ii) appointment of Justice Consuelo M. Ynares-Santiago as the Lead Independent Director; and (iii) appointment of Gen. Marquez as Chairperson of the Audit and Risk Oversight Committee, and member of the Related Party Transaction Committee and Corporate Governance Committee.

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

Stockholders Resolution No. 2022-07-08-03
Ratification of All Acts of the Board of
Directors and Corporate Officers
since July 09, 2021 to July 08, 2022

“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, 2021 until today, July 08, 2022, 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

Mr. Zobel proceeded to the nomination for the position of external auditors of the Company for fiscal year 2022. Gen. Ricardo C. Marquez, 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, confirmed and recommended the appointment of the accounting firm of R.G. Manabat & Co. as the external auditors of the Company for the fiscal year 2022.

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

Stockholders Resolution No. 2022-07-08-04
Appointment of External Auditors for 2022

“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 2022.”

7. ELECTION OF DIRECTORS

Upon the request of Mr. Zobel, Atty. Jacinto 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. John Paul L. Ang
4. Aurora T. Calderon
5. Consuelo M. Ynares-Santiago - Independent Director
6. Teresita J. Leonardo-De Castro - Independent Director
7. Ricardo C. Marquez - Independent Director

Atty. Jacinto 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 Retired Justices Consuelo M. Ynares-Santiago and Teresita J. Leonardo-De Castro, and Retired General Ricardo C. Marquez. He 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. He further explained that as set out in the Information Statement distributed to the stockholders, Independent Director Consuelo M. Ynares-Santiago has been serving the Company for nine (9) years.

In accordance with the Manual on Corporate Governance of the Company and upon endorsement of the Corporate Governance Committee of the Company, the Board of Directors found that the independence of Director Santiago has not been diminished or impaired by her long service as member of the Board of Directors and it has full trust and confidence that Director Santiago will continue acting as an independent director. Moreover, Justice Santiago has brought high standards of corporate governance to the Company and her years of experience and expertise have enhanced the corporate values of the Company.

For the stated meritorious reasons, the Board of Directors approved and endorsed for the vote of the stockholders of the Company the election of the seven (7) nominees, including Director Santiago as an independent director of the Company.

Thereafter, a motion was made that all votes of stockholders present and represented by proxies issued in favor of the Chairman of the Meeting 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, 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 89.34% of the total outstanding common 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 the meeting, which includes the election of directors.

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

Stockholders Resolution No. 2022-07-08-05
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. John Paul L. Ang
4. Aurora T. Calderon
5. Consuelo M. Ynares-Santiago - Independent Director
6. Teresita J. Leonardo-De Castro - Independent Director
7. Ricardo C. Marquez - Independent Director”

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

8. ADJOURNMENT

Mr. Zobel 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. Mr. Zobel thanked all stockholders present for attending the meeting.

ATTEST:

IÑIGO U. ZOBEL
Chairman

VIRILIO S. JACINTO
Corporate Secretary

List of Stockholders Present¹

Shareholders Present	No. of Common Shares	No. of Preferred Shares	Total Shares
WITH PROXY ISSUED IN FAVOR OF THE CHAIRMAN			
San Miguel Corporation	2,561,068	1,904,540	4,465,608
Master Year Limited	49,799,800		49,799,800
Privado Holdings, Corp.	36,814,051		36,814,051
SMC Retirement Plan	2,111,976		2,111,976
SMFI Retirement Plan	1,282,869		1,282,869
SMB Retirement Plan	1,863,814		1,863,814
SMYPC Retirement Plan	927,260		927,260
GSMI Retirement Plan	5,260		5,260
Q-tech Alliance Holdings, Inc.	45,600		45,600
Marine Shore Investment Holdings, Inc.	258,767		258,767
Millennium Energy, Inc.	1,080,738		1,080,738
Asiasec Equities, Inc. (Privado Holdings Corp.)	44,500		44,500
Deutsche Bank	9,270		9,270
Standard Chartered Bank	77,870		77,870
HSBC	62,074		62,074
Citibank	730,879		730,879
Iñigo U. Zobel	199,601,517		199,601,517
Ramon S. Ang	75,887		75,887
Ferdinand K. Constantino	14,850		14,850
Aurora T. Calderon	2,360		2,360
Virgilio S. Jacinto	2,562		2,562
Bella O. Navarra	10,260		10,260
Irene M. Cipriano	1,000		1,000
Ma. Rosario B. Balanza	1,307		1,307
TOTAL	297,385,539	1,904,540	299,290,079
WITH BALLOT			
Consuelo M. Ynares-Santiago	100		100
Teresita J. Leonardo-De Castro	100		100
John Paul L. Ang	100		100
Ricardo C. Marquez	100		100
Jessie F. Ramirez	26		26
Enrique Ll. Yusingco	250		250
TOTAL	676		676
GRAND TOTAL	297,386,215	1,904,540	299,290,755
Total Outstanding Shares	332,886,167	1,904,540	334,790,707
Percentage of Attendance	89.34%	100%	89.40%

¹ As provided in the Definitive Information Statement, attendance of the stockholders of record as of June 03, 2022 shall be counted, and their votes will be cast, through ballots submitted by the stockholders or their proxies. The deadline for the submission of ballots and proxies is on June 24, 2022.

Voting Results
2022 Annual Stockholders' Meeting
08 July 2022

Election of the Board of Directors		
NO.	NOMINEE	TOTAL
1	IÑIGO U. ZOBEL	297,386,215
2	RAMON S. ANG	297,382,815
3	JOHN PAUL L. ANG	297,382,815
4	AURORA T. CALDERON	297,382,815
5	CONSUELO M. YNARES-SANTIAGO	297,382,815
6	TERESITA J. LEONARDO-DE CASTRO	297,386,215
7	RICARDO C. MARQUEZ	297,382,815
	TOTAL	2,081,686,505

RESOLUTION	FOR		AGAINST		ABSTAIN		TOTAL	
Approval of the Minutes of the Annual Stockholders' Meeting held on July 09, 2021	297,386,215	100%	0	0%	0	0%	297,386,215	100%
Approval of the Annual Report of the Company for year ended December 31, 2021	297,311,745	99.97%	0	0%	74,470	0.03%	297,386,215	100%
Ratification of all the acts and proceedings of the Board of Directors and Officers since the 2021 Annual Stockholders' Meeting to date	297,311,745	99.97%	0	0%	74,470	0.03%	297,386,215	100%
Appointment of R.G. Manabat & Co. as external auditors of the Company for fiscal year 2022	297,386,215	100%	0	0%	0	0%	297,386,215	100%

Total Number of Common Shares Present (by Ballot and by Proxy): Common - 297,386,215

Voting Procedure

1. Under Voting and Voting Procedure (page 6 of the Definitive 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 03, 2022. 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 40 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 2022 Annual Stockholders' Meeting is June 03, 2022. Only stockholders of record at the close of business on June 03, 2022 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 2022 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 03, 2022, 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 40 of the Definitive 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 2022 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 24, 2022 by email sent to stockholders@topfrontier.com.ph or by mail sent to the SMC Stock Transfer Service Corporation office located at the 2nd 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 is included in this Information Statement. Validation of ballots and proxies will be on July 01, 2022 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 thereafter.

Annual Report for 2021

Fellow stockholders, welcome to the Annual Meeting of Top Frontier Investment Holdings, Inc. Thank you for being here today.

Management is pleased to report that the Company delivered strong financial results in 2021.

- Consolidated revenues of Top Frontier and its subsidiaries amounted to P941.2 billion, a hefty 30% increase from 2020 and only 8% lower than the pre-pandemic level in 2019.
- Consolidated income from operations grew significantly by 66% to P115.7 billion and has surpassed the P114.1 billion in 2019.
- Consolidated net income was likewise markedly higher by 87% at P44.1 billion, while consolidated EBITDA reached P P159.7 billion, 27% up from the 2020 level.

Top Frontier’s 2021 financial results reflect the robust performance of San Miguel Corporation as it continued to gain pace and turned in higher volumes, revenues and income despite the COVID-19 restrictions that remained in effect during the year. We are thankful for San Miguel’s pandemic response efforts aimed at protecting and helping its employees all over the country cope with the impact of COVID-19. As of January 2022, San Miguel has fully vaccinated more than 97% of its employees nationwide and extended personnel. San Miguel likewise invested in its own RT-PCR testing laboratory to ensure continuous COVID-19 surveillance testing of its employees.

All these efforts resulted in minimum disruptions to the business operations of San Miguel amid the pandemic. Some of the San Miguel businesses have, in fact, set new record levels of performance, while some have already fully recovered their pre-pandemic levels.

Moving on to a quick view of the major businesses:

San Miguel Food and Beverage Inc. posted a record high consolidated revenue of P309.8 billion, 11% higher than 2020 and already at par with 2019 due to higher volumes and improved prices. Consolidated income from operations jumped 31% as margins increased driven by productivity and efficiency improvements, as well as effective cost management. Consolidated net income rose by 40% and tracked only 3% below the 2019 level.

The food, beer and spirits segments of SMFB all performed very well in 2021.

- **The Food business** achieved a record performance during the year. Consolidated revenues reached P151.0 billion, a 12% increase over 2020 and 8% better than 2019. Consolidated operating income grew 122% vs 2020 at P11.5 billion and 85% up vs 2019, while consolidated net income of P7.6 billion was 165% and 121% higher than 2020 and 2019, respectively.

- The **Beer business** managed to grow revenues to P116.3 billion, 8% higher than the prior year but still lower than pre-pandemic level. As volumes continued to be affected by lockdowns of its major sales channels and intermittent liquor bans, the business focused on the implementation of cost management initiatives. Thus, operating income increased by 10% to P26.9 billion, while net income was up 17% to P20.4 billion.
- The **Spirits** segment, on the other hand, capped off another stellar year with revenues reaching an all-time high of P42.5 billion, 17% and 46% higher than 2020 and 2019, respectively. Income from operations of P5.3 billion grew 39% vs 2020 and 84% vs 2019, while net income rose by 52% to P4.2 billion, and by 150% over 2019.

Our energy business under **SMC Global Power** registered consolidated revenues of P133.7 billion, 16% better than 2020 as a result of higher offtake volumes, spot prices and bilateral rates. However, income from operations declined by 14% due mainly to soaring coal prices which averaged \$137/MT in 2021 from only \$60/MT in 2020. While net consolidated income was also down by 15%, the recurring net income grew 5% if the one-time gain from a third-party contractor's non-fulfillment of procurement-related obligations in 2020 is excluded.

As travel restrictions eased and more industries reopened, fuel volumes strengthened and **Petron** grew revenues by 53% to P438.1 billion. Supported by better refining margins, Petron staged a significant turnaround to a profit of P6.1 billion from the P11.4 billion loss in 2020.

The Infrastructure Group generated revenues of P19.7 billion, a 35% increase from 2020 as traffic volume gradually recovered due to increasing mobility. Operating income rose 164% to P6.8 billion.

Top Frontier's recovery in 2021 continued through the first quarter of 2022.

- First quarter revenues reached P316.8 billion, a 57% jump over last year. This was realized despite the surge of the Omicron variant in January.
- Income from operations rose by 25% to P39.7 billion.
- Recurring net income remained strong at P13.0 billion, 2% above last year. This excludes the impact of the Corporate Recovery and Tax Incentives for Enterprises Law known as CREATE, which was made effective in July 2019 but recognized in 2020.

Your Company is upbeat on its prospects for sustained recovery and growth. San Miguel operating businesses have constantly demonstrated agility and resilience amid persistent challenges especially during the most difficult periods.

The group's strategic projects, which are currently in various stages of implementation, also provide a formidable platform for an even faster growth in the coming years.

In closing, we thank you our fellow stockholders, for your continued trust and support. Top Frontier is firmly committed to maximize shareholder value and will continue to pursue nation-building projects to build a better and more sustainable future for all.

Again, thank you and good afternoon.