

Minutes of the 2019 Annual Stockholders' Meeting
SPC Power Corporation
Held on May 30, 2019, 10:00 A.M.
At the Seda Hotel, Cardinal Rosales Avenue
Cebu City

PRESENT:

(See attached Record of Attendance)

ALSO PRESENT:

Jaime M. Balisacan
Maria Luz L. Caminero
Antonio T. Corpuz
Corazon L. Gamez
Cesar O. Villegas
Mishelle Anne R. Rubio-Aguinaldo

1. Call to Order

The Chairman, Mr. Alfredo L. Henares, called the meeting to order at 10:08 A.M. The Assistant Corporate Secretary, Ms. Mishelle Anne R. Rubio-Aguinaldo, recorded the proceedings of the meeting.

2. Certification of Due Notice and Presence of a Quorum

Ms. Rubio-Aguinaldo certified that notices of the meeting were given to stockholders of record as of May 7, 2019 pursuant to the By-Laws of the Corporation, and that with 1,596,491,900 shares, equivalent to 100% of the total issued and outstanding shares in attendance, either in person or by proxy, a quorum was present to transact business.

3. Approval of Minutes of the Previous Annual Stockholders' Meeting of 28 May 2018

Upon motion duly made and seconded, without any objection, the stockholders present or represented by proxy agreed to dispense with the reading of the minutes of the annual stockholders meeting on May 28, 2018, and unanimously approved the said minutes.

4. Report of the Chairman and Presentation of the Audited Financial Statements as of and for the Year Ended December 31, 2018

The Chairman, Mr. Henares, reported that the total comprehensive income of SPC Group increased by 13.3% reaching a new record level. The increase is mainly due to the 11.3% increase in the equity share of investee companies and the overall improvement in the earnings of the generation business segment. The performance of the distribution business segment, despite a 9.3% increase in volume sales, was below expectations due to temporary under-recoveries of purchased power.

Encouraged by the improvements in earnings, the Chairman also reported that the Group is continuing to press ahead with measures already initiated to make the Group even more profitable and expansionary. The unsuccessful acquisition of a 54-

MW renewable power plant in the latter part of 2018 did not dampen the resolve of the Board of Directors to look for other power project opportunities.

The Chairman continued his report on the highlights of operational performance of power generation assets and distribution utilities. He reported that the 15 MW capacity of Panay Diesel Power Plant (PDPP 1) was sustained and its availability and utilization rate increased by 9.9% and 13.6%, respectively. Similarly, PDPP 3's capacity was sustained at 50 MW and its availability and utilization rate increased by 2.7% and 7.6%, respectively.

However, the Chairman reported that while the Bohol Diesel Power Plant (BDPP) sustained its capacity at 16.2 MW, its availability and utilization rate decreased by 11.7% and 16.6%, respectively, primarily due to massive plant maintenance and improvement works.

Meanwhile, Kepco SPC Power Corporation's (KSPC) 2x100 MW CFBC Coal-Fired Power Plants both sustained the rated capacity of 100 MW in 2018. The combined availability of the plants reached 89.4%.

On the performance of distribution utilities, the Chairman reported that Bohol Light Co. Inc.'s (BLCI) monthly peak demand increased by 7.8% which resulted in the 9.1% increase in its total energy purchased. Similarly, Mactan Electric Co., Inc.'s (MECO) monthly peak demand increased by 6.34% which contributed to the 10.38% increase in the total energy purchased. The continuous efforts of BLCI and MECO to improve their operations decreased systems loss and significantly increased their reliability factor.

The Chairman also gave an update regarding the return of the Cebu Diesel Power Plant 1 (CDPP 1) to PSALM.

Finally, the Chairman reported that Power Barge 104 (PB104) was completely rehabilitated with a capacity of 28 MW, higher than the initial target of 26 MW. Units 1, 2, and 3 have started commercial operations on July 18, 2018 while Unit 4's provisional authority to operate is yet to be issued.

The Chairman thanked the directors, stockholders, employees, among others, for their continued confidence, loyalty, and support.

Thereafter, the Senior Vice President for Finance and Administration, Mr. Jaime M. Balisacan, reported on the highlights of the consolidated financial performance of the parent company and the subsidiaries as of and for the year ended December 31, 2018. Mr. Balisacan reported that the 13.3% increase in 2018 earnings was buoyed mainly by excellent set of results from investee companies and power generation business segment. The performance translated to a 19.61% return on average equity and earnings per share of Php1.24. Equity share in the earnings of investees accounted for 66.6% of the Group's total comprehensive income in 2018; power generation pitched in 30.9%, and power distribution brought in 2.5%.

He reported that the total consolidated assets is slightly higher by 0.7% as compared to the previous year. The increase was mainly attributable to additional net cash inflows generated from operating activities and cash dividends received from investments. This growth in total assets was accompanied by substantial

reduction in total liabilities due mainly to the settlement of payables to PSALM for the return of the Naga Power Plant Complex, as well as the payment of trade and other payables substantially outstanding as of December 31, 2017.

He added that the group has no more bank loans and that all outstanding loans have been fully prepaid in 2017. He stressed that the growth in the value of total assets and substantial decrease in total liabilities increased the total stockholders' equity by 7.1% as of December 31, 2018. Current ratio remarkably improved further to 7.33 while debt-to-equity ratio favorably dropped further to 0.09.

Finally, he reported that the total comprehensive income boosted the balance of retained earnings, out of which a total of PhP1.5 Billion was appropriated for expansion projects. In addition, he stated that the group's robust cash flows enabled the payment of cash dividends totaling PhP1.2 Billion or 80 centavos per share and the total cash dividend payout in 2018 was equivalent to 66% of the previous year's earnings, closing the year with 103.2% increase in cash and cash equivalents.

The Chairman opened the floor for questions. None was raised.

5. Approval of Directors Fees/Bonus for CY 2018

Upon motion duly made and seconded, without any objection, the stockholders present or represented by proxy approved the payment of (1) a Director's Fee of P600,000.00 to each director who served during the calendar year ended December 31, 2018 for a full year, or pro rata thereof, if his service was less than a year, (2) an extra payment of P200,000.00 for the Chairman, and (3) an additional amount aggregating to PhP13,160,363.00 to directors who performed executive functions.

6. Ratification of All Previous Actions of the Board of Directors and Officers of the Corporation Since the Last Annual/Regular Meeting

The Chairman referred to the list of previous actions to be ratified which was included in the Definitive Information Statement distributed to all stockholders.

Upon motion duly made and seconded, without any objection, the stockholders present or represented by proxy ratified all the past acts of the Board of Directors and of the management and officers during CY 2018.

7. Election of Directors for CY 2019-2020

The Chairman informed the stockholders that they were going to elect eleven (11) Directors in accordance with the Articles of Incorporation and By-Laws. He then opened the floor for nominations.

Upon motion duly made and seconded, the stockholders present or represented by proxy unanimously elected the following persons to serve as Directors for CY 2019-2020 and to act as such until their successors shall have been elected:

- i. Dennis T. Villareal
- ii. Alfredo L. Henares
- iii. Alberto P. Fenix, Jr.
- iv. Kim, Jung-In

- v. Kim, Taemin
- vi. Yoon, Jong-Ryoon
- vii. Kim, Yong-Uk
- viii. Ramon Y. Sy
- ix. Roberto F. De Ocampo
- x. Enrique L. Benedicto
- xi. Sergio R. Ortiz-Luis, Jr.

Messrs. Sy, De Ocampo, Benedicto, and Ortiz-Luis, Jr. were elected as Independent Directors.

The Chairman congratulated the newly-elected members of the Board of Directors and announced that the Organizational Meeting of the Board would be held immediately after the stockholders meeting.

8. Appointment/Reappointment of External Auditors

Upon motion duly made and seconded, without any objection, the stockholders present or represented by proxy reappointed the auditing firm of SyCip Gorres Velayo & Co. as the external auditor of the Corporation for the CY 2019.

9. Other Matters


No other matter was raised at the meeting.

10. Adjournment

The meeting was adjourned at 10:32 A.M.

ATTESTED BY:


ALFREDO L. HENARES
Chairman

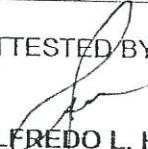

MISHELLE ANNE R. RUBIO-AGUINALDO
Assistant Corporate Secretary


SPC POWER CORPORATION
ANNUAL STOCKHOLDERS' MEETING
30 May 2019

RECORD OF ATTENDANCE

STOCKHOLDER	PROXY	NO. OF SHARES	%
KEPCO Philippines Holdings, Inc.	Kim Jung In	568,098,817.00	36.20
Intrepid Holdings, Inc.	Dennis T. Villareal	371,836,647.00	23.69
JAD Holdings, Inc.	Dennis T. Villareal	293,201,397.00	18.68
KV Holdings, Inc.	Dennis T. Villareal	74,749,847.00	4.76
Treasury Shares (SPC)	Dennis T. Villareal	72,940,097.00	4.65
Boxboard Containers Corp.	Dennis T. Villareal	41,000,000.00	2.61
Cancorp, Inc.	Dennis T. Villareal	41,000,000.00	2.61
Rowell Plastic Corp.	Dennis T. Villareal	38,864,638.00	2.48
ALH Management, Inc.	Alfredo L. Henares	23,850,269.00	1.52
Others	Dennis T. Villareal	22,479,313.00	1.43
Mali, Ni	Dennis T. Villareal	10,000,000.00	0.64
Dennis T. Villareal		6,425,500.00	0.41
Cecil Chua Tiu	Dennis T. Villareal	1,000,000.00	0.06
Alfredo P. Fenix Jr.		855,933.00	0.05
Cesar O. Villegas		685,492.00	0.04
Corazon L. Gamez		826,797.00	0.05
Lorenzo D. Inocando		330,196.00	0.02
Stanley Krug	Dennis T. Villareal	299,196.00	0.02
Dennis Lawrence N. Villareal	Dennis T. Villareal	274,196.00	0.02
James Roy N. Villareal		274,196.00	0.02
Victor Anthony N. Villareal	Dennis T. Villareal	274,196.00	0.02
Ma. Luz L. Caminero		137,098.00	0.01
Elsa G. Dorotheo	Dennis T. Villareal	27,519.00	0.00
Sonia M. Magno		60,549.00	0.00
Kim Jung In		1.00	0.00
Kim, Taemin		1.00	0.00
Kim, Yong Uk		1.00	0.00
Yoon, Jong Ryoan		1.00	0.00
Roberto de Ocampo		1.00	0.00
Sergio Ortiz-Luis, Jr.		1.00	0.00
Enrique Benedicto		1.00	0.00
Total (Outstanding)		1,569,491,900.00	100.00

ATTESTED BY:


ALFREDO L. HENARES
Chairman


MISHELLE ANNE R. RUBIO-AGUINALDO
Assistant Corporate Secretary