

**DRAFT MINUTES OF THE  
2022 ANNUAL STOCKHOLDERS' MEETING  
OF ALSONS CONSOLIDATED RESOURCES, INC.**

**ALSONS CONSOLIDATED RESOURCES, INC.  
MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING**  
Held on May 26, 2022 at 2:00 P.M.  
Held by remote communication or *in absentia*

The 2022 Annual Stockholders' Meeting of Alsons Consolidated Resources Inc. (or the "Company") was conducted by remote communication or *in absentia* via Zoom.<sup>1</sup> In compliance Securities and Exchange Commission ("SEC") Memorandum Circular No. 6, Series of 2020, the proceedings of the meeting were recorded.

Prior to the start of the meeting proper, a video of the Philippine National Anthem was presented, after which the Chairman of the Board of Directors and President of the Company, Mr. Nicasio I. Alcantara, was introduced.

**CALL TO ORDER**

The Chairman called the meeting to order and presided over the same. He thanked the stockholders, colleagues in the Company and special guests for attending the Company's virtual Annual Stockholders' Meeting and acknowledged the presence of the members of the Board of Directors and executive officers who likewise attended the meeting via remote communication.<sup>2</sup>

The Chairman delivered his opening remarks which mentioned the declared dividends of PhP0.02 per share in favor of common stockholders of record as of June 30, 2022 and payable on July 23, 2022.

The Corporate Secretary, Atty. Ana Maria A. Katigbak-Lim, acted as Secretary of the meeting and recorded the minutes thereof.

**CERTIFICATION OF NOTICE AND QUORUM**

The Corporate Secretary certified that at least 21 days prior to the meeting and pursuant to SEC rules, the Company (i) delivered to the stockholders the notice of the meeting by courier, and (ii) posted on its website and submitted to the Philippine Stock Exchange ("PSE") Edge portal its Information Statement which included the notice of the meeting.

The Corporate Secretary likewise certified that with respect to the quorum, there were present at the meeting, in person or by proxy, stockholders representing a least

<sup>1</sup> <https://zoom.us/j/92431656505?pwd=TmxwTHowRVhoNXluLy8wL0J1Ri90Zz09>

<sup>2</sup> See Annex "A" for the list of directors and officers who attended the virtual Annual Stockholders' Meeting.

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**10,546,241,105** common and voting preferred shares or **89.44%** of the Company's outstanding capital stock and that a quorum was, therefore, present for the transaction of business.

At the request of the Chairman, the Corporate Secretary informed the stockholders of the following voting procedures and general protocol for the meeting:

- (1) Under the Company's Articles of Incorporation and By-Laws, every common and voting preferred stockholder shall be entitled to one vote for each share of stock standing in his/her name in the books of the Company. For the election of directors, each stockholder may cumulate his/her votes.
- (2) Stockholders as of record date, April 8, 2022, who successfully registered for the meeting were given the opportunity to cast their votes by submitting their proxy forms. There were six (6) items for approval, excluding the adjournment, as indicated in the agenda set out in the Notice.
- (3) The approval of the authority to issue corporate guarantees and sureties required the approval of at least two-thirds (2/3) of the outstanding capital stock. For items other than the approval of authority to issue corporate guarantees and sureties, the affirmative vote of stockholders representing at least a majority of the outstanding capital stock was sufficient. Stockholders had the option to either vote in favor of, or against, a matter for approval, or to abstain.
- (4) For the election of directors, the stockholders had the option to vote for each of the nominees, not vote for any nominee, or vote for one or some nominees only, in such number of shares as the stockholders prefer; provided, that the total number of votes cast did not exceed the number of shares owned by them multiplied by the number of directors to be elected. The eleven (11) nominees receiving the highest number of votes would be declared the duly elected members of the Board of Directors for the current term.
- (5) Votes received by proxy form were validated by a special committee of inspectors, consisting of the Office of the Corporate Secretary and the stock transfer agent. The results of the voting, with full details of the affirmative and negative votes, as well as abstentions, will be reflected in the minutes of this meeting.

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- (6) Finally, stockholders, once successfully registered, were also given an opportunity to raise questions or express comments limited to the agenda items by submitting the same through email. Management endeavored to reply to these questions or address these comments after the Management Report. If, for lack of material time, the Company was unable to answer a relevant and material question timely submitted by a stockholder, the Company will reply to such questions by email.
- (7) The participation and voting procedures were also contained in the Definitive Information Statement, accessible to all stockholders through the Company's website.

**APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS'  
MEETING HELD ON MAY 20, 2021**

The Chairman stated that the next matter on the agenda was the approval of the minutes of the Annual Stockholders' Meeting held on May 20, 2021 copies of which had been previously uploaded to the Company's website and the PSE Edge portal.

The Corporate Secretary announced that the Company received proxies from stockholders representing at least 89.44% of the outstanding capital stock, directing the Chairman to vote in favor of the following resolution approving the minutes:

"RESOLVED, that the reading of the minutes of the Annual Stockholders' Meeting of Alsons Consolidated Resources, Inc. held on July 20, 2020 be dispensed with and that the same be, as it is hereby, approved."

The Corporate Secretary noted that the affirmative votes were sufficient to approve the same.<sup>3</sup>

**APPROVAL OF THE ANNUAL REPORT AND  
2021 AUDITED FINANCIAL STATEMENTS**

The Chairman stated that the next matter on the agenda was the Annual Report and presentation of the Company's 2021 audited financial statements.

The Executive Vice President, Mr. Tirso G. Santillan, presented the Annual Report of the Company. Mr. Santillan gave an overview of the Company's operations and performance for the year 2021. Thereafter, the Group Chief Finance Officer ("Group CFO"), Mr. Ben M. Simon, reported on the Company's 2021 financial highlights.

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<sup>3</sup> See Annex "B" for the voting results.

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After some discussion, the Corporate Secretary announced that the Company received proxies from stockholders holding at least 89.44% of the outstanding capital stock, directing the Chairman to vote in favor of the following resolution approving the Annual Report and 2021 audited financial statements:

“RESOLVED, that the Annual Report of Management as presented by the Executive Vice President and Chief Finance Officer, and the Company’s audited financial statements for the year ended December 31, 2021 be, as it is hereby, approved.”

The Corporate Secretary noted that the affirmative votes were sufficient to approve the same.<sup>4</sup>

#### **RATIFICATION OF ACTS OF THE BOARD OF DIRECTORS AND MANAGEMENT**

The Chairman stated that the next matter on the agenda was the ratification of the acts of the Board of Directors and Management since the last annual stockholders’ meeting, a summary of which was included in the Definitive Information Statement uploaded on the Company’s website and the PSE Edge portal.

The Corporate Secretary announced that the Company received proxies representing at least 89.44% of the outstanding capital stock, directing the Chairman to vote in favor of the following resolution approving the ratification of acts of the Board and Management:

“RESOLVED, that all acts, contracts, resolutions and actions, authorized and entered into by the Board of Directors and Management of the Company from the date of the last annual stockholders’ meeting up to the present be, as they are hereby, approved, ratified and confirmed.”

The Corporate Secretary noted that the affirmative votes were sufficient to approve the same.<sup>5</sup>

#### **AUTHORITY TO ISSUE CORPORATE GUARANTEES AND SURETIES**

The Chairman stated that the next matter on the agenda was the authority of the Company to issue corporate guarantees and sureties in favor of its subsidiaries and affiliates. It was recalled that the same authority was previously approved by the stockholders in 1997 and the stockholders were now requested to refresh and update the same approval for the Company’s operational and financing requirements.

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<sup>4</sup> See Annex “B” for the voting results.

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The Corporate Secretary announced that the Company received proxies representing at least 89.44% of the outstanding capital stock, directing the Chairman to vote in favor of the following resolution authorizing the Company to issue corporate guarantees and sureties in favor its subsidiaries and affiliates:

“RESOLVED, that the Board of Directors be, as it hereby is, authorized and empowered to issue, or to authorize any proper officer of the Company to issue, corporate guarantees in favor of the subsidiaries and affiliates of the Company, under such terms and conditions as it may deem necessary or proper.”

The Corporate Secretary noted that the affirmative votes were sufficient to approve the same.<sup>6</sup>

### **ELECTION OF DIRECTORS**

The next matter on the agenda was the election of the members of the Board of Directors. The Chairman requested the Corporate Secretary to explain the conduct of elections.

The Corporate Secretary informed the stockholders that there were 11 directors' seats in the Board of Directors, of which at least two were required to be independent directors. She stated that all nominations for directors were reviewed and approved by the Nominations and Election Committee in accordance with the Company's Corporate Governance Manual. Further, the SEC rules provided that only nominees whose names have been submitted to, and evaluated by, the Nominations and Election Committee, and whose names appear in the Final List of Candidates set forth in the Definitive Information Statement, shall be eligible for election as independent directors. Under Rule 38 of the Securities and Regulation Code (“SRC”), no other nominations shall be entertained after the Final List of Candidates shall have been prepared.

The Corporate Secretary announced that the Company received the nominations below for regular and independent directors for the term 2022 to 2023 which were screened by the Nominations and Election Committee. The respective profiles of the following nominees were included in the Definitive Information Statement earlier distributed to the stockholders and which were also flashed on the screen:

For Regular Directors:

1. Nicasio I. Alcantara
2. Editha I. Alcantara

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<sup>6</sup> See Annex “B” for the voting results.

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3. Arturo B. Diago, Jr.
4. Alejandro I. Alcantara
5. Tirso G. Santillan, Jr.
6. Ramon T. Diokno
7. Tomas I. Alcantara
8. Honorio A. Poblador III

For Independent Directors:

9. Jose Ben R. Laraya
10. Thomas G. Aquino
11. Jacinto C. Gavino, Jr.

It was noted that there were only eight (8) candidates for the eight (8) available seats for regular director, and three (3) candidates for three (3) seats for independent director. The Chairman announced that all votes shall be casted in favor of these candidates, and they were declared as the duly elected directors of the Company for the year 2022 to 2023.<sup>7</sup>

#### **APPOINTMENT OF EXTERNAL AUDITORS**

The next matter on the agenda was the appointment of the external auditor of the Company. The Chairman stated that independent director Jose Ben R. Laraya, Chairman of the Audit Committee, informed the Chairman that the Audit Committee had reviewed the qualifications and performance of the current external auditor, Sycip, Gorres, Velayo & Co. ("SGV"), and was endorsing its reappointment for the current year.

The Corporate Secretary announced that the Company received proxies representing at least 89.44% of the outstanding voting shares, directing the Chairman to vote in favor of the following resolution approving appointment of the external auditors:

"RESOLVED, that the auditing firm of Sycip Gorres Velayo & Co. be, as it is hereby, reappointed as the Company's external auditor for the current year 2022-2023."

The Corporate Secretary noted that the affirmative votes were sufficient to approve the same.<sup>8</sup>

#### **ADJOURNMENT**

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<sup>7</sup> See Annex "B" for the voting results.

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There being no other matters on the agenda and no further business to transact, the meeting was adjourned.

  
**ANA MARIA A. KATIGBAK-LIM**  
Corporate Secretary

ATTESTED:

**NICASIO I. ALCANTARA**  
Chairman of the Board and  
President

**TIRSO G. SANTILLAN, JR.**  
Executive Vice President

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**ANNEX A**

**List of Directors and Officers Who Attended the  
Annual Stockholders' Meeting Held on May 26, 2022**

Nicasio I. Alcantara	Chairman, President, Chairman of the Nomination and Election Committee, Chairman of the Compensation Committee, and Chairman of the Executive and Corporate Governance Committee
Editha I. Alcantara	Director/Vice-Chair and Treasurer, and Chairman of the Retirement Committee
Tirso G. Santillan, Jr.	Director/Executive Vice President
Alejandro I. Alcantara	Director
Tomas I. Alcantara	Director
Arturo B. Diago, Jr.	Director
Honorio A. Poblador III	Director
Ramon T. Diokno	Director
Jose Ben R. Laraya	Independent Director, and Chairman of the Audit, Risk and Related Party Transaction Committee
Thomas G. Aquino	Independent Director
Jacinto C. Gavino, Jr.	Independent Director
Ana Maria A. Katigbak-Lim	Corporate Secretary
Jonathan F. Jimenez	Assistant Corporate Secretary
Antonio Miguel B. Alcantara	Chief Investment & Strategy Officer
Alexander Benhur M. Simon	Group Chief Finance Officer
Philip Edward B. Sagun	Deputy Chief Finance Officer

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**ANNEX B**

**Voting Results**

<b>Item subject to Voting</b>	<b>Shares in Favor</b>	<b>% Results who are in Favor</b>	<b>% Results who are Against</b>	<b>% Results who Abstain</b>	<b>Total Percentage</b>
Certification of Notice and Quorum	At least 10,546,241,105 of the common and voting preferred shares	89.44%	0	0	89.44%
Approval of the minutes of the stockholders meeting held on May 20, 2021	At least 10,546,241,105 of the common and voting preferred shares	89.44%	0	0	89.44%
Approval of the Annual Report and Audited Financial Statements 2021	At least 10,546,241,105 of the common and voting preferred shares	89.44%	0	0	89.44%
Ratification of the Acts of the Board and Management	At least 10,546,241,105 of the common and voting preferred shares	89.44%	0	0	89.44%
Approval of the Authority to Issue Corporate Guarantees and Sureties	At least 10,546,241,105 of the common and voting preferred shares	89.44%	0	0	89.44%
Appointment of SCV as External Auditors for 2022-2023	At least 10,546,241,105 of the common and	89.44%	0	0	89.44%

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	voting preferred shares				
Election of Directors (including Independent Directors): -Nicasio I. Alcantara -Tomas I. Alcantara -Editha I. Alcantara -Alejandro I. Alcantara -Ramon T. Diokno -Honorio A. Poblador, III -Tirso G. Santillan, Jr. -Arturo B. Diago, Jr. -Jose Ben R. Laraya (ID) -Jacinto C. Gavino, Jr. (ID) -Thomas G. Aquino (ID)	At least 10,546,241,105 of the common and voting preferred shares for <u>each</u> director	89.44 %	0	0	89.44 %

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**ANNEX C**

**Questions from Stockholders and Replies of Management**

- 1. What is the current status of the renewable projects of the Company? In your disclosure last year, you reported that the Siguil Hydro will commence commercial operations in 2022, will this push through?**

**Answer:** *The construction phase of our first hydro power plant, Siguil Hydro Power Corporation, is currently in full swing but this has encountered some delays due to challenges brought about by the Covid-19 Pandemic. The expected Commercial Operation Date has been updated and is projected for May 2023.*

- 2. What are ACR's plans for growth over the next five years?**

**Answer:** *As taken up in the operations report, we are planning to embark on a 21 MW hydro electric project in Sindangan River, Zamboanga del Norte, and 42 MWs of hydro electric capacity along Bago River in Negros Occidental. These are part of 8 potential hydro projects we are developing. Aside from these, we are also developing suitable sites to harness solar energy. Aside from the generation sector, we are also considering other opportunities in WESM, GEAP and in the contestable market.*

- 3. How much is your expected CAPEX (on a consolidated basis) for the next 3 years? And how do you intend to fund them?**

**Answer:** *More or less, we're looking at Php 6 Billion capital expenditures in the next 3 years. As has always been our strategy, we will fund our projects through 70% project financing from bank syndicates and 30% from internally generated funds, investors and partners.*