

MINUTES OF THE ANNUAL STOCKHOLDERS MEETING OF
LOPEZ HOLDINGS CORPORATION
HELD AT THE FIFTH @ ROCKWELL, R5 LEVEL POWER PLANT MALL
ROCKWELL CENTER, MAKATI CITY, METRO MANILA
ON JUNE 11, 2019 AT 9:00 A.M.

1. Call to Order

Amb. Manuel M. Lopez, the Chairman of the Board, called the meeting to order and presided over the same. The Secretary, Mr. Enrique I. Quiason, recorded the minutes of the proceedings.

2. Certification of Service of Notice

The Secretary certified that for purposes of the meeting, proper notices of the same were sent to all stockholders of record in accordance with the provisions of the by-laws.

3. Certification of the Presence of Quorum

The Secretary certified that there being present at the meeting, in person or by proxy, stockholders owning 2,860,426,110 shares out of the 4,599,707,411 shares issued and outstanding or 62.19% of the total issued and outstanding shares, a quorum was present for the transaction of any business at hand.

Aside from Amb. Manuel M. Lopez, the Chairman and Chief Executive Officer, the following directors were present: Messrs. Cesar E.A. Virata (Independent Director and Chairman of the Audit Committee); Mr. Monico V. Jacob (Independent Director); Amb. Lilia R. Bautista (Independent Director); and Salvador G. Tirona (President, Chief Operating Officer and Chief Finance Officer). Others present were Ms. Editha V. Estacio and other representatives of the external auditor Sycip, Gorres, Velayo & Company, Ms. Carla P. Sison, the Corporation's Investor and Stakeholder Relations Officer and Head of Risk Management, Ms. Maria Amina O. Amado, Assistant Corporate Secretary and Compliance Officer, Ms. Milani S. Caimol, Assistant Vice President and Ms. Marifi H. Hernandez, Head of Internal Audit. Officers from the subsidiaries and affiliates of the Company were also present.

The Secretary informed the stockholders that a number of proxies that were submitted and validated carried abstentions or oppositions to matters to be discussed during the meeting. While they do not affect the results of the voting, these abstentions or oppositions will be made part of the records and noted in the minutes for each item in the agenda.

The Secretary also explained that the manner of voting is non-cumulative, except as to the election of directors, and each stockholder shall have one vote for each share entitled to vote and registered in his name. Unless a motion is duly made and seconded, the voting shall be made viva voce and counted manually by the Corporate Secretary. Voting shall be done by balloting upon motion duly made and seconded, and the transfer agent and SyCip Gorres Velayo & Co. shall count and canvass the ballots.

In the election of directors, the top seven nominees with the most number of votes will be elected as directors.

4. Reading and Approval of Minutes of Previous Stockholders Meeting

The reading of the minutes of the annual meeting of the stockholders held on June 14, 2018 was dispensed with and, upon motion duly made and seconded, the stockholders approved the same.

The Corporation received proxies representing 2,846,084,140 shares or 99.50% of the shares present or represented at the meeting instructing the proxy holder, the Chairman, the President or the Secretary to vote in favor of the approval of the said minutes while no stockholder abstained or voted against the motion.

5. Message of the Chairman of the Board and Report of Management

The Chairman delivered his message to the stockholders:

Magandang umaga sa inyong lahat.

Fellow stockholders:

The year 2018 was a year of innovative transformations as our investees, First Philippine Holdings Corporation (FPH) and ABS-CBN Corporation, worked on sustaining their businesses for the long term.

FPH unit First Gen Corporation (First Gen) boldly proceeded to work on its LNG (liquefied natural gas) import terminal at the First Gen Clean Energy Complex in Batangas. Pre-development and site preparation for this project began in 2016. In 2018, FGEN LNG Corporation, a wholly owned subsidiary of First Gen, signed a Joint Development Agreement (JDA) with Tokyo Gas Co., Ltd. (Tokyo Gas). The JDA is a preliminary agreement to jointly pursue development of the project, with Tokyo Gas taking a 20% participating interest.

Subsequently, FGEN LNG applied with the Department of Energy (DoE) for a Notice to Proceed (NTP), in accordance with the Philippine Downstream Natural Gas Regulation.

This is a significant development given that First Gen owns approximately 2,000 megawatts in operating gas assets, all of which are currently supplied by Malampaya. The Philippine government has determined that LNG represents vital national infrastructure that is needed to maintain and enhance the country's energy security when the Malampaya gas field is eventually depleted.

First Gen unit Energy Development Corporation, which voluntarily delisted from the Philippine Stock Exchange, is in the middle of a transformation program designed to gain greater efficiency, which will translate to lower electricity costs for consumers. At the same time, it is taking measures to protect its assets from hazards and the deleterious effects of extreme weather and climate change. It is continually working on reducing risk in order to provide uninterrupted power to customers.

Rockwell Land Corporation, which is under the FPH portfolio, is likewise transforming by going into leisure and recreational facilities development. Work is underway on the Aruga Hotel in Rockwell Center, Makati, as well as on a resort in Mactan, Cebu, which will complement the company's existing residential and commercial projects.

Finally, ABS-CBN is quickly transforming into a digital company, agile and almost ubiquitous, making its content accessible 24x7 to global audiences, appealing to all kinds of viewers with an expansive collection of programming in every genre—whether drama, action, comedy, romantic, horror, English-language and Filipino-language news, sports, children, young adults, Tagalized Asianovelas, as well as music and concerts that are available online using any device and through any internet service provider or telco.

The inauguration of the first two ABS-CBN soundstages in December 2018 is an important step to expand its worldwide audience to non-Filipinos. The state-of-the-art facilities will enable the company to manage production costs more efficiently, and put it at par with the rest of the world in terms of cost and quality.

Through these initiatives of our investees, we look forward to continue serving the needs and wants of our country's growing population for the long term.

Maraming salamat sa inyong pagtitiwala.

Mabuhay kayong lahat!

The Chairman next requested Mr. Salvador G. Tirona, the President and Chief Operating Officer, to give the management's report on the performance of the Company for the year 2018. Mr. Tirona gave the following report:

Fellow shareholders:

Lopez Holdings Corporation reported P5.893 billion in net income attributable to equity holders of the Parent for the year 2018, 39% higher than the P4.225 billion in net income attributable to equity holders of the Parent reported in 2017. The financial performance of investees First Philippine Holdings Corporation and ABS-CBN Corporation accounted for these results. First Philippine Holdings benefited from the favorable operating results of its energy, real estate, construction and manufacturing businesses.

Consolidated revenues increased by 20% year-on-year (YoY) to P125.389 billion from P104.890 billion. This was primarily due to the increase in the sale of electricity (+20%), contracts and services (+72%) and sale of merchandise (+9%) which represent the operations of FPH subsidiaries. Sale of electricity accounted for 83% of revenues in 2018 versus 82% in 2017.

Earnings from investments accounted for under at equity method decreased by 27% at P1.495 billion from P2.038 billion year-on-year, representing the performance of ABS-CBN, as well as share in the performance of First Philippine Holdings units. ABS-CBN experienced a challenging year and reported a 40% decrease in net income year-on-year.

For the first quarter of 2019, your company reported a net income attributable to equity holders of the Parent of P2.291 billion. This is 108% higher than the P1.104 billion in net income attributable to equity holders of the Parent reported in the first quarter of 2018. Better financial results of the energy group under associate First Philippine Holdings Corporation (FPH) and a significant recovery in ABS-CBN's media and entertainment earnings coupled with minimal foreign exchange adjustments accounted for the increase.

Unaudited consolidated revenues increased by 19% to P32.770 billion from P27.565 billion year-on-year (YoY). This was due to increases in the sale of electricity by 20% to P28.030 billion from P23.400 billion and contracts and services by 45% to P1.905 billion from P1.311 billion, year-on-year. All revenue items were generated by operating companies held by investee First Philippine Holdings Corporation.

Unaudited consolidated costs and expenses increased by 15% to P24.094 billion from P21.028 billion YoY. Equity in net earnings of associates, PDRs and a joint venture (+82%) represents primarily the performance of ABS-CBN, through Lopez PDRs, as well as share in the performance of FPH units. ABS-CBN registered a 120% in net income during the period. Net other income and expenses pertain to FPH and its subsidiaries and affiliates, this account includes finance charges (+4%), finance income (+26%), foreign exchange loss (-99%), dividend income (+36%) and other income (+58%).

For the full year 2018, Lopez Holdings' total consolidated assets grew to P390.630 billion from P388.050 billion in 2017. This figure mainly includes assets of First Philippine Holdings. Debt-to-equity ratio improved at 0.39x in 2018 versus 0.41x in 2017. Also, book value per share was up at P15.02 a share at the end of 2018 from a value of P13.83 a share in 2017.

Since May 31, 2017, the Parent Company, Lopez Holdings had no more direct obligations. On a consolidated basis, total liabilities stood at P202.470 billion at year end-2018 versus P200.791 billion at year end-2017.

For the first quarter ended March 31, 2019, Lopez Holdings' total consolidated assets slightly increased by 1% to P393.877 billion as of March 31, 2019 from P390.630 billion as of December 31, 2018. On a stand alone Parent Company's financial position accounted for at equity method, Lopez Holdings total assets as of March 31, 2019 stood at P69.55 billion. It is composed of Current assets which is mainly cash and cash equivalents and Noncurrent assets representing our carrying value of investments in First Philippine Holdings and ABS-CBN. Total equity attributable to Parent stood at P69.22 billion.

In 2018, Lopez Holdings received P962 million in cash dividends from conglomerates First Philippine Holdings and ABS-CBN. In the same year, your company paid out P463 million in cash dividends to shareholders.

Just this morning, your company declared a cash dividend of ten centavos (P0.10) per share to stockholders of record as of June 26 and payable on July 10, 2019. This is the 9th consecutive year that your company paid cash dividends since the complete resolution of the company's long-standing debt issues in 2010.

FPH is changing not with, but ahead of the times as its energy, manufacturing and property development business units are in various phases of projects that would transform their businesses into continuously viable enterprises.

FPH unit First Gen Corporation (FGEN) is closely studying its LNG Terminal Project to ensure that there will be ample fuel supply for its natural gas-fired power plants, whether or not the Malampaya gas supply contract is extended. With Tokyo Gas Co., Ltd., as its first partner, FGEN gained access to sufficient global information, as well as half a century of industry experience to guide its final investment decision. FGEN's pioneering work in the natural gas industry in the Philippines made it a credible proponent of the project, which is among the reasons it received in March 2019 a Notice to Proceed with the project from the Department of Energy.

On the manufacturing side, FPH unit First Philec Corporation is driving its electrical utilities business into new growth areas as technological changes are providing new markets and opportunities. With renewable energy, smart meters, and energy storage becoming necessities to help address the vulnerability of our electricity distribution systems to climate-induced catastrophic events, the FPH Group is ready to stay relevant with products and services that meet the requirements of customers and regulators alike.

On the property development side, FPH unit Rockwell Land Corporation has again transformed the Makati skyline with the completion of The Proscenium at Rockwell. Units in its first four towers (Kirov, Sakura, Lincoln and Lorraine) will be ready for handover to their owners in 2019. We also look forward to Rockwell Land's hotel and leisure projects: the Aruga Hotel in Rockwell Center, Makati; and the Aruga Mactan Hotel and Aruga by Rockwell Resort and Residences both in Mactan, Cebu.

Despite a rather challenging year, ABS-CBN declared cash dividends of P0.92 per common share in 2018 based on the previous year's earnings. More important, the media conglomerate went full steam into its transformation into a true digital company. It re-introduced its over-the-top (OTT) service, now known as iWant, to go beyond its catch-up TV viewing beginnings and offer original movies, TV shows, music, sports and other events for livestreaming by users in the Philippines.

When the OTT service was first introduced in 2010, it was meant as a catch-up service for SKY Cable subscribers who may have missed their favorite scheduled TV shows due to work or other commitments. Today, iWant is available as a mobile application, accessible from any device, offering 95,000 hours of content on demand, including programs that can be viewed on free TV, UHF Channel 2.

It is important for ABS-CBN to learn, develop and expand its reach in the digital arena to ensure that it stays relevant to the changing needs of viewers. Majority of millennials do not really watch TV anymore and prefer to view shows on demand, anytime it is convenient for them, anywhere they may happen to be. By doing this, ABS-CBN is in good position to eventually cater to an even bigger market: non-Filipinos all over the world.

We are determined to see through all these transformational projects that will make our investees continually relevant, sustainable and valuable to our country and fellow citizens. Thank you for your confidence in your management team.

The Chairman said that management is prepared to answer any questions that the stockholders may have on the Report of Management and the audited financial statements. He also said that the external auditors are also present to explain as may be necessary.

The Chairman opened the floor for questions from the stockholders.

There being no questions from the floor, upon motion duly made and seconded, the stockholders noted the Report of Management and ratified the approval of the audited financial statements for the year ending December 31, 2018.

The Corporation received proxies representing 2,501,964,370 shares or 87.47% of the shares present

or represented at the meeting instructing the proxy holder, the Chairman, the President or the Secretary to vote in favor of the approval of management report, proxies representing 103,118,435 shares or 3.6% of the shares present or represented at the meeting voted to abstain, with no votes against the motion. For the approval of the audited financial statements, the Corporation received proxies representing 2,837,063,240 shares or 99.18% of the shares present or represented at the meeting instructing the proxy holder, the Chairman, the President or the Secretary to vote in favor of the approval of audited financial statements, proxies representing 9,020,900 or 0.32% of the shares present or represented at the meeting abstained and no stockholder voted against the motion.

6. Ratification of the Acts of the Board and of Management

Upon motion duly made and seconded, the stockholders ratified the acts of the Board of Directors and of Management for the year 2018 to 2019 as reflected in the Report of Management, the Annual Report and the minutes of the meetings of the Board of Directors.

The Corporation received proxies representing 2,837,063,240 shares or 99.18% of the shares present or represented at the meeting instructing the proxy holder, the Chairman, the President or the Secretary to vote in favor of the ratification of the Acts of the Board and Management, proxies representing 9,020,900 shares or 0.32% of the shares present or represented at the meeting voted to abstain, with no stockholder voting against the motion.

7. Election of Directors

The meeting proceeded to the election of directors for the ensuing year 2019 to 2020. The Secretary informed the body that pursuant to the pertinent provisions of the By-laws, nominations of the following stockholders as Directors were received by him at least ten days before the meeting:

Mr. Oscar M. Lopez
 Amb. Manuel M. Lopez
 Mr. Eugenio Lopez III
 Mr. Cesar E. A. Virata
 Amb. Lilia R. Bautista
 Mr. Monico V. Jacob
 Mr. Salvador G. Tirona

The Corporate Secretary said that Amb. Bautista, Mr. Virata and Mr. Jacob were duly nominated as independent directors in accordance with the rules of the Securities and Exchange Commission.

There being no other nominations, it was duly moved and seconded that the seven stockholders who were nominated as directors for the ensuing year be declared elected as Directors for the seven board seats of the Corporation.

There being no objection, the Chairman directed the Secretary to cast the relevant votes in favor of the following stockholders duly nominated as Directors of Lopez Holdings Corporation for the ensuing year and declared them as duly elected members of the Board of Directors of the Company to act as such until their successors shall have been duly elected and shall have qualified. The votes for the directors based on the

proxies received were as follows:

	FOR	WITHHOLD	ABSTAIN
Oscar M. Lopez	2,841,418,640	4,665,500	0
Manuel M. Lopez	2,841,418,640	4,665,500	0
Eugenio Lopez III	2,592,065,605	254,019,535	0
Cesar E.A. Virata	2,837,873,440	8,210,700	0
Lilia R. Bautista	2,836,941,440	9,142,700	0
Monico V. Jacob	2,835,531,158	10,552,982	0
Salvador G. Tirona	2,841,859,640	4,224,500	0

8. Appointment of External Auditors

Upon motion made and duly seconded, the firm of SyCip Gorres Velayo & Co. was re-appointed as external auditor of the Company.

The Corporation received proxies representing 2,846,084,140 shares or 99.50% of the shares present or represented at the meeting instructing the proxy holder, the Chairman, the President or the Secretary to vote in favor of the appointment of SyCip Gorres Velayo & Co. as external auditor of the Corporation, no stockholder abstained and no stockholder voted against the motion.

9. Other Matters

The Chairman entertained additional questions from the stockholders.

Mr. Robert Go greeted the fathers a Happy Father's Day in advance and asked Mr. Cesar E.A. Virata if the Revised Corporation Code of the Philippines would be complicated or problematic in the long-run. Mr. Virata said that he believes that the new law is an improvement over the Corporation Code. Mr. Go asked about the One Person Corporation. Mr. Virata said that one of the features is the One Person Corporation, which is similar to one man corporations allowed in the state of Delaware and other jurisdictions.

Mr. Go inquired if Lopez Holdings Corporation conducts anger management training for its employees. Mr. Tirona replied that this is one of the programs conducted by the Human Resources departments of the companies within the group. The programs include the development of the character of the employees and laughter management training is also conducted.

Mr. Go inquired if the group conducts random drug tests supervised by the PDEA. Mr. Tirona said that this is part of the physical examination of employees.

Mr. Go complained that he was not able to get his coffee and donuts which were distributed before the meeting. The Chairman apologized for this and announced that there will be a screening of "Quezon's Game" for the stockholders. Mr. Tirona also apologized to the stockholder.

Ms. Maria Theresa Abueg asked about the accusation of President Duterte about the unreturned amount that he paid to ABS-CBN during his campaign for the presidency and also the issue on the non-renewal of the franchise. The Chairman asked Mr. Martin L. Lopez, the Chairman of the Board of ABS-CBN

Corporation to respond to the question. Mr. Martin Lopez said that ABS-CBN remains aligned with its statement during the previous stockholders' meeting that ABS-CBN would rather settle this matter privately. With respect to the new franchise, the application will be re-filed with the new Congress.

Ms. Nora Vargas congratulated the Chairman and the members of the management team for a profitable year. She inquired about the dividend policy of the Lopez Holdings and asked if the dividends could be increased. Mr. Tirona said that Lopez Holdings Corporation has no specific dividend policy. As a holding company, Lopez Holdings relies on the dividend flows from its investee companies and whatever funds are received as dividends from the investee companies are distributed to the shareholders of Lopez Holdings. Mr. Tirona said that each of the investee companies, like ABS-CBN Corporation and First Philippine Holdings Corporation have their own dividend policies.

Ms. Vargas also complained that she was not able to get her coffee and donuts as she came late. She said that she hopes that the company would order additional cups of coffee and donuts next year. The Chairman apologized and said that the Lopez Holdings will do better next year.

Mr. Go inquired if Lopez Holdings is engaged in the development of Artificial Intelligence applications. Mr. Tirona said that Lopez Holdings does not have any subsidiary or affiliate that develops Artificial Intelligence technology but its investee companies, specifically ABS-CBN Corporation, uses Artificial Intelligence in understanding its viewers and customers.

Mr. Go asked Mr. Virata about his position on the appointment of foreigners to the top position of Philippine Corporations. Mr. Go said that one big bank has a foreigner as Chairman and Chief Executive Officer. Mr. Virata said that as far as banks are concerned the qualification of directors is screened by the Bangko Sentral ng Pilipinas and foreign directors can be elected if they or the stockholder that they represent owns enough shares to elect him as a director. Mr. Virata said that is not familiar with the facts of the case described by Mr. Go. Mr. Virata said that he is aware of a situation where the BSP disallowed the election of a director who was a Filipino but became an American citizen because the director owned only one share.

10. Adjournment

There being no further business to transact, upon motion duly made and seconded, the meeting was adjourned.

ENRIQUE I. QUIASON
Corporate Secretary

ATTEST:

MANUEL M. LOPEZ
Chairman of the Board