

## EXPLANATION OF AGENDA ITEMS

1. Call to Order

The Chairman will call to order the Annual Stockholders' Meeting.

2. Proof of Service of Notice

The Corporate Secretary will certify that in accordance with the SEC Notice dated April 20, 2020, the notice of the meeting was duly published in two (2) newspapers of general circulation on September 9 and 10, 2020, both in print and online format.

3. Certification of Quorum

The Corporate Secretary will then certify whether or not a quorum exists for a valid meeting. He will also explain the rules for the orderly conduct of business at the meeting.

Pursuant to Sections 23 and 57 of the Revised Corporation Code which allow participation and voting *in absentia* by the stockholders, the Corporation has set up the designated online web address [https://agm.conveneagm.com/lpz\\_asm2020](https://agm.conveneagm.com/lpz_asm2020) which may be accessed by stockholders to register for the meeting. Stockholders who have successfully registered will receive an email with instructions on how to access a secure online portal which will allow them to participate and vote at the meeting, either by voting electronically or through the Chairman of the meeting as proxy. A stockholder who participates and votes *in absentia* or by remote communication shall be deemed present for purposes of quorum.

The requirements and procedure for participating and voting are set forth in Annex "A" of the Information Statement.

4. Approval of the Minutes of the June 11, 2019 Stockholders' Meeting

The minutes of the previous stockholders' meeting is available on the Corporation's website [www.lopez-holdings.ph](http://www.lopez-holdings.ph). A resolution on this item requires the approval of a majority of the votes of the stockholders present and eligible to vote. The minutes of the annual stockholders' meeting contain discussions of the following items:

- Certification of the Service of Notice and the Presence of Quorum
- Approval of Minutes of June 14, 2018 Annual Stockholders' Meeting
- Chairman's Message
- Report of Management
- Approval of the Audited Financial Statements as of December 31, 2018
- Ratification of the Acts of the Board and of Management
- Election of Directors for Ensuing Year
- Appointment of External Auditors
- Other Business
- Adjournment

5. Chairman's Message and Report of Management

The Chairman will deliver his message to the stockholders and the President will render the Report of Management on the Corporation's performance in 2019, as reflected in the audited financial statements. These do not require any approval by the stockholders.

6. Ratification of the Audited Financial Statements

The stockholders will be requested to ratify the Board's approval of the Corporation's audited financial statements as of December 31, 2019. The audited financial statements are attached

to the Information Statement and available on the Corporation's website [www.lopez-holdings.ph](http://www.lopez-holdings.ph). A resolution on this agenda item requires the approval of a majority of the votes of stockholders present and eligible to vote.

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

This will cover all acts and resolutions adopted by the board of directors and management since the June 11, 2019 annual stockholders' meeting and until October 2, 2020. These cover matters entered into in the ordinary course of business, with those of significance having been covered by the proper disclosures to the Securities and Exchange Commission and the Philippine Stock Exchange in accordance with applicable disclosure rules. A resolution on this agenda item requires the approval of a majority of the votes of stockholders present and eligible to vote.

8. Election of Directors for the Ensuing Year

Pursuant to the Corporation's By-Laws, Manual of Corporation Governance, and applicable rules of the Securities and Exchange Commission, any stockholder, including minority stockholders, may submit nominations for the election of directors at least ten (10) calendar days prior to the date of the meeting or by September 21, 2020. As of August 25, 2020, the Corporate Governance Committee received nominations for directors and found such nominees to have all the qualifications and none of the disqualifications to serve as directors. The names of the nominees and their respective profiles, including directorships in listed companies, are duly indicated in the Information Statement. The election of directors will be done by plurality of votes using cumulative voting.

9. Appointment of External Auditors

The Audit Committee has recommended the re-appointment of SyCip, Gorres, Velayo & Co. as external auditors for the ensuing year. The profile of the firm is duly indicated in the Information Statement. A resolution on this agenda item requires the approval of a majority of the votes of stockholders present and eligible to vote.

10. Other Business

Under SEC Memorandum Circular No. 14, Series of 2020, stockholders who alone, or together with other shareholders, hold at least five percent (5%) of the outstanding capital stock of the Corporation, shall have the right to include items on the agenda prior to the annual stockholders meeting.

The Company did not receive any such request to include items on the agenda in accordance with the Memorandum Circular before the filing of this Definitive Information Statement. Items added on the agenda pursuant to the Memorandum Circular after the filing of this Definitive Information Statement shall be filed under Other Business.

This covers the consideration of other business that may properly come before the meeting.

Upon confirmation by the Corporate Secretary that there are no other matters to be considered, the Chairman shall declare the meeting adjourned.