

A. SORIANO CORPORATION

ANNUAL MEETING OF STOCKHOLDERS

Place: Manila Peninsula Hotel

Date: April 10, 2019

Time: 10:00 A.M.

The annual meeting of stockholders was held at the place, date and time indicated above.

I. CALL TO ORDER

The Chairman, Mr. Andres Soriano III, called the meeting to order, and requested the Corporate Secretary, Atty. Lorna Patajo-Kapunan, to certify to the proof of notice of meeting.

II. PROOF OF NOTICE

The Corporate Secretary certified that in accordance with the Corporation Code of the Philippines and the By-Laws of the Corporation, printed copies of the Notice of Annual Meeting of the Stockholders and Information Statement were sent by mail and by special messenger service starting March 14, 2019 to all stockholders of record as of March 12, 2019 at their respective addresses of record.

III. QUORUM

At the request of the Chairman, the Corporate Secretary certified that 2,364,357,176 shares, or 94.57% of the issued and outstanding capital stock of the Corporation were represented at the meeting in person and by proxy. There was, therefore, a quorum.

IV. APPROVAL OF MINUTES OF PREVIOUS MEETING

The minutes of the previous Annual Stockholders Meeting held on April 18, 2018 have been available for examination by the stockholders at the office of the Corporate Secretary for the past year. Also, copies of the minutes were posted in the registration area of the present meeting.

On motion duly made and seconded, the minutes of the Annual Stockholders' Meeting held on April 18, 2018, were approved.

V. PRESENTATION OF THE CHAIRMAN AND CEO'S MESSAGE TO STOCKHOLDERS

The Chairman delivered his message to the stockholders, quoted in full as follows:

Fellow shareholders, ladies and gentlemen, good morning and welcome to our annual stockholders meeting.

Gross domestic product for the year was 6.2% marginally lower than the 6.7 percent experienced in 2017.

Economic activity was affected by a slowdown in export growth, a widening trade deficit, a lower agricultural output and softer household consumption, exacerbated by a spike in the rate of inflation.

In addition to these domestic challenges, the strength of the US dollar, a rise in global oil prices, and higher interest rates pressured virtually all asset classes.

The Philippine Index fell by 12.8% during the year.

Despite all of these, the overall pace of economic activity in 2018 remained healthy, helped by the government's infrastructure investment spending programs.

It was in this environment that your Company's consolidated total revenues decreased from 10.6 billion pesos in 2017 to 9.8 billion pesos in 2018 and net income dropped from 2.5 billion pesos to 800 million pesos.

The lower profit for 2018 can be traced to two main factors.

In 2017, the Company realized a gain of 1.1 billion pesos from the sale of Cirrus Medical Staffing and 83.8 million pesos from the divestment in Enderun Colleges, Inc. However, in 2018, there was no comparable sale of investments.

More significantly, the Philippine Financial Reporting Standards (PFRS) 9 - took effect on January 1, 2018. The new standard required that any increase or decrease in the market value of your Company's equity investments, from the end of the previous reporting period to the end of the current one, this means every quarter, must be reflected as income or loss, irrespective of whether the shares have not been sold, or are core portfolio holdings for the long term.

With the adoption of the new PFRS 9 accounting standard, Anscor booked in 2018 a loss of 177 million pesos due to the decline in market value of its equity investments. These unrealized losses are reflected in the income statement.

We strongly believe that the PFRS 9 does not account for the intrinsic value of our core equity investments in local and international port services, infrastructure, education, and gaming. These sectors all stand to benefit from continued economic expansion. The fact is that their stock prices as of December 31, 2018 were greater than their original acquisition cost by 1.8 billion pesos. In the first quarter of 2019, the market value of our investments increased by 1.1 billion pesos since the end of 2018 recovering by several times the PFRS 9 losses in just 3 months. This shows the embedded volatility that PFRS 9 now puts into financial statements and places increased complexity for shareholders and investors in evaluating the state of our Company.

Fortunately, the PFRS 9 loss from equity investment was offset by higher interest income, foreign exchange gain, management fees and excellent performances of Phelps Dodge International Philippines, Inc. and Pamalican Resort, Inc.

The parent company's long term debt at the end of December 2018 was 11.2 million Dollars and will be paid by the first quarter of 2020. The book value per share of Anscor stood at 15.32 pesos as of December 31, 2018.

We are pleased to announce that on February 21, 2019, the Anscor Board of Directors declared a 20 centavos per share regular and 5 centavos special cash dividend for a total dividend of 25 centavos that is payable today.

PHELPS DODGE INTERNATIONAL PHILIPPINES, INC. (PDP), revenue reached 8.3 billion pesos, a 15 percent increase from last year. Net profit grew 17 percent to 636 million pesos, helped by higher copper prices and increased unit sales from its dealer network, construction projects and new sales to the utility segment.

During the year, PDP paid Anscor a cash dividend of 250 million pesos and a management fee of 78 million pesos.

PDP maintained its safety achievement of a zero-recordable incident record in 2018.

SEVEN SEAS RESORTS AND LEISURE, INC., owner of Amanpulo Resort, achieved its goal of being a one-billion-peso business, as it celebrated its 25th anniversary.

The Resort was awarded by *Gallivanter's Guide* as the "Second Best Resort Hotel Worldwide" and "the Philippines' Best Resort Spa 2018" by the World Spa Awards. Amanpulo's Kawayan Bar was voted by Conde Nast as the "Best Bar in the World".

Average occupancy increased from 55.2 percent to 58.8 percent. Revenues reached 1.1 billion pesos or 28 percent higher than last year and net income rose to 235 million pesos, a 14 percent escalation from 2017.

AG&P delivered a total revenue of 24 million Dollars in 2018, a transition year for AG&P as it became a fully integrated Gas Logistics and Construction business. A net loss of 19 million Dollars was recognized in 2018 as against a net income of 17 million Dollars in 2017.

AG&P management advise that the recent major bid wins puts the company in a stronger position. These are its exclusive concession to build infrastructure, distribute and market natural gas to 30 million people in five major cities in India, and its construction projects in the Philippines.

ATRAM INVESTMENT MANAGEMENT PARTNERS CORPORATION (ATRAM) at the end of 2018, had assets under management of 107 billion pesos. Although ATRAM continued to see positive flows from its clients, these did not offset the effects of the global market's downturn last year.

In 2018, new mandates and business partners enabled ATRAM to offer the first unit-paying funds in the country. Seedbox, ATRAM's digital wealth platform, hit new milestones, growing its user base from 3,000 to 72,000 during the year.

KSA REALTY CORPORATION, owner of The Enterprise Center, declared a cash dividend of 1.1 billion pesos, 151 million pesos of which was paid to Anscor.

The 2018's gross rental revenue of 1.3 billion pesos and net income of 964 million pesos, before revaluation gain, were the highest in KSA's history, since it began operations in 1999. Average occupancy for the year was 96 percent and increased to 98 percent by year end.

A portion (5.8 percent) of your Company's consolidated assets are in early stage and private equity opportunities.

In 2018, Anscor invested 5 million Dollars in *Macquarie ASEAN Technology Investments Holdings II LP*, a special purpose vehicle that invested exclusively in shares of Grab Holdings Inc. Grab is the leading on-demand transportation provider in Southeast Asia with over 80 percent market share across seven countries, including the Philippines. Grab's core-ride sharing business was significantly derisked after it acquired Uber's Southeast Asian operations.

Y-mAbs Therapeutics, Inc. had a successful initial public offering in September 2018, which put it in a strong financial position to continue its solid clinical progress on its two lead pediatric compounds. Both now have the FDA Breakthrough Therapy Designation and have the potential to treat a variety of high-risk and rare cancers.

Total cost of investment in Y-mAbs amounts to 5.3 million Dollars. Anscor recognized an unrealized gain of 8.6 million Dollars for this investment based on its market price of 20.34 Dollars per share as of December 31, 2018.

In August 2018, Anscor made a 4.5 million Dollars convertible loan to *Power Source Holdings, Inc.*, a developer of renewable, off-grid power plants, a 20-Megawatt hybrid power plant in Iligan, Lanao del Norte, and five micro grids in Palawan and Cebu. It also provides technical services to several large power plants, and is actively exploring domestic solar opportunities. Anscor is now conducting financial and legal due diligence on Power Source to potentially become an equity investor.

Anscor has also made commitments to two Philippine-focused private equity funds, *Navegar* and *Sierra Madre*, who invest in private companies in the consumer, business services, logistics and healthcare space. Navegar has successfully deployed its first fund

and is in the process of raising new capital for a second fund, which Anscor will likely commit to.

Other early stage investments include:

Element Data, Inc., a Seattle, Washington-based Artificial Intelligence Company with a decision intelligence platform.

Madaket, Inc., an innovative US software service platform that automates healthcare provider data management processes.

And lastly, *Medifi Medtech Solution (USA) Limited*, a Philippine-based online healthcare platform that connects doctors and patients.

The Andres Soriano Foundation, marked its 50th year with its continued programs on the environment, health, education, and community organizations through its *Small Islands Sustainable Development Program* in Northeastern Palawan.

The Foundation's *Cancer Care Program* supports breast cancer patients by providing their maintenance chemotherapy medicines. ASF partnered with five pharmaceutical companies to train seven oncology fellows at the Cancer Institute at the University of the Philippines-Philippine General Hospital (UP-PGH).

For 2019, the consensus forecast is for the country's GDP to rise, albeit at a slower pace than last year's growth, due to global headwinds.

Your Management continually monitors the economic climate and maintains flexibility to adjust to market conditions affecting its existing and new investments.

The year 2018 was a year of milestones for your Company, namely, the 50th year of the Andres Soriano Foundation and the 25th anniversary of Amanpulo. It was also a year of challenges. But challenges define a company's character and strength. And, Anscor's character and strength will keep it on course and undeterred.

We would like to acknowledge and thank Mr. Eduardo J. Soriano, my brother, who retired as your Company's Treasurer and Executive Officer on September 7, 2018, after serving for 45 years during which he was instrumental in the success of Anscor. From us all, thank you EJS.

We also would like to acknowledge the service of Ambassador Roberto Romulo who will be stepping off our Board at this meeting after 20 years. Thank you Bob.

To the members of our Board of Directors, thank you for your valuable oversight and guidance. To our employees, thank you for your commitment and loyalty. To our shareholders, thank you for your unwavering trust, confidence and support.

On behalf of the Board of Directors, thank you and good day.

VI. APPROVAL OF 2018 ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2018, AND RATIFICATION OF ALL ACTS, CONTRACTS, INVESTMENTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS AND MANAGEMENT SINCE THE LAST ANNUAL MEETING AS SET FORTH IN THE MINUTES BOOK, ANNUAL REPORT, THE AUDITED FINANCIAL STATEMENTS, OR AS DISCLOSED IN REPORTS TO THE SECURITIES AND EXCHANGE COMMISSION (SEC) AND PHILIPPINE STOCK EXCHANGE (PSE)

After delivering his message, the Chairman entertained questions from stockholders. After which, the Chairman moved for the approval of the 2018 Annual Report and audited Financial Statements as of December 31, 2018, as well as the ratification of all acts, contracts, investments and resolutions of the Board of Directors and Management since the last annual meeting as set forth in the minutes book, the Annual Report, the audited Financial Statements, or as disclosed in reports to the SEC and PSE.

The motion was duly seconded, and the following resolutions were approved:

RESOLVED, That the 2018 Annual Report and the Audited Financial Statements as of December 31, 2018, of the Corporation are hereby approved;

RESOLVED, FURTHER, That all acts, contracts, investments and resolutions of the Board of Directors and Management since the last annual meeting as set forth in the minutes book, annual report, the audited financial statements, or as disclosed in reports to the Securities and Exchange Commission and Philippine Stock Exchange, be as they are hereby approved, ratified and confirmed.

VII. ELECTION OF THE MEMBERS OF THE BOARD OF DIRECTORS

The meeting then proceeded to the election of the members of the Board of Directors for the ensuing year. The Chairman requested the Corporate Secretary to inform the stockholders of the nominations received.

The Corporate Secretary said that pursuant to Section 3(a) of Article IV of the By-Laws of the Corporation, the following were nominated on or before the February 22, 2019 deadline of submission of nominations:

1. Mr. Andres Soriano III
2. Mr. Eduardo J. Soriano
3. Mr. Ernest K. Cuyegkeng
4. Mr. Jose C. Ibazeta
5. Mr. John L. Gokongwei Jr.
6. Mr. Oscar J. Hilado
7. Mr. Alfonso S. Yuchengco III

There being no other nominees, the Chairman moved that the Corporate Secretary be directed to cast the votes of the stockholders present in person and by proxy, except for those who have given specific instructions otherwise in their proxies, in favor of the above-named nominees.

The motion was duly seconded and there being no objection, the motion was carried. The Chairman directed the Corporate Secretary to cast the votes of the stockholders present in person and by proxy, except those who have given specific instructions otherwise in their proxies, in favor of the gentlemen nominated. The Chairman declared the above-named nominees as the duly elected Directors of the Corporation for the ensuing year. Among the newly elected members of the Board, Messrs. Oscar J. Hilado and Alfonso S. Yuchengco III are independent Directors.

VIII. APPOINTMENT OF EXTERNAL AUDITORS

On motion duly made and seconded, it was unanimously approved to appoint SyCip, Gorres, Velayo & Co. to be the Company's External Auditors for the ensuing year.

IX. ADJOURNMENT

There being no other matter to consider, the meeting, on motion duly made and seconded, was adjourned.

Makati City, April 10, 2019.



JOSHUA L. CASTRO
Assistant Corporate Secretary

APPROVED:



ANDRES SORIANO-III
Chairman