

**MINUTES OF THE ANNUAL GENERAL MEETING  
OF THE STOCKHOLDERS  
OF**

**SOUTH LUZON TOLLWAY CORPORATION**

Held at the Boardroom, 8/F, San Miguel Corporation HOC  
SMC Compound, 40 San Miguel Avenue, Mandaluyong City  
on 10 May 2018 at 3:30 p.m.

<b><u>PRESENT:</u></b>	<b><u>No. of Shares</u></b>
<b>Ramon S. Ang</b>	
for himself	1
and as proxy for:	
<b>MTD Manila Expressways, Inc.</b>	2,899,999,991
<b>Antonette C. Tionko</b>	
for herself	1
and as proxy	
<b>The Republic of the Philippines</b>	724,999,998
<b>Lorenzo G. Formoso III</b>	1
<b>Mario K. Surio</b>	1
<b>Jose P. de Jesus, Jr.</b>	1
<b>Fema C. Q. Piramide-Sayson</b>	1
<b>Jose Portugal Perez</b>	1
<b>Consuelo Ynares-Santiago</b>	1
<b>Paola Sherina A. Alvarez</b>	1
 Total number of shares present	 3,624,999,998
Total number of shares issued and outstanding	3,625,000,000
Percentage attendance of stockholders	99.99%

**ALSO PRESENT:**

Aurora T. Calderon  
Raoul Eduardo C. Romulo  
Virgilio S. de Guzman  
Cynthia M. Laureta  
Noellie R. Majarucon  
Shaina Anella B. Ramirez  
Patrick Philip L. Capulong  
Sarah Angela Joy E. Trinidad

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**1) Call to order and certification of notice and quorum**

The Chairman, Mr. Ramon S. Ang, called the meeting to order and presided over the same. The Corporate Secretary recorded the minutes of the proceedings and certified to the presence of a quorum for the valid transaction of business by the Corporation, there being present in person and by proxy stockholders representing 99.99% of the issued and outstanding capital stock of the

Corporation. Upon the request of the Corporate Secretary, the stockholders waived the venue requirement as provided under the By-Laws of the Corporation.

**2) Approval of the Minutes of the Annual General Meeting of the Stockholders held on 11 May 2017**

The meeting proceeded to the second item in the agenda, that is, the approval of the minutes of the Annual General Meeting of the Stockholders held on 11 May 2017. The Chairman requested the stockholders to peruse their copies of the minutes, which had been furnished them prior to the start of the meeting. A copy of the same is attached to these minutes by reference.

Upon motion duly made and seconded, the minutes of the Annual General Meeting of the Stockholders held on 11 May 2017 were unanimously approved.

**3) President's Report**

Upon the request of the Chairman, and in the absence of the President, Director Lorenzo G. Formoso III, requested to dispense with the reading of the President's Report on the operations and performance of the Corporation for the year 2017 since copies of the same were furnished to the members of the Board prior to the date of the meeting. The slide presentation of the said report was also presented to the Board during the meeting. A copy of the report is appended to these minutes by reference.

The report highlighted the following:

**Statements of Comprehensive Income:**

- Toll revenues of ₱5.8 Billion, or a 6.5% increase compared to 2016
- Cost of Services increased by 8.8% to ₱1.5 Billion
- Total Comprehensive Income decreased by 17.4% to ₱3.0 Billion
- EBITDA increased by 4.1% to ₱4.8 Billion

**Statements of Financial Position:**

- Total Assets = ₱13.5 Billion
- Total Liabilities = ₱8.0 Billion
- Total Equity = ₱5.5 Billion
- Long-Term Debt amounting to ₱7.3 Billion pertaining to the Peso Fixed-Rate Bonds issued last May 2015
- Cash dividends in the total amount of ₱3.4 Billion were paid

**Repairs and upgrading projects for the SLEX:**

- Repairs and restoration works in the amount of ₱151.4 Million
- Procurement of equipment in the amount of ₱137.1 Million
- Additional expansion costs to, among others, enhance the ETC system and increase the number of lanes and toll plazas as well as TR4 development costs in the amount of ₱101.2 Million

**Toll Road 4 (TR-4):**

- The Company is still in the preliminary stages for the TR-4, which will extend the SLEX up to Lucena City, Quezon Province
- Target completion moved to 2022 from 2019



- Final Engineering Design has been approved by the TRB and procurement of a construction contractor is ongoing
- Memorandum of Agreement between the DPWH and DOTr regarding ROW acquisition for the Project was signed last May 4, 2017

Upon motion duly made and seconded, the President's Report for the year 2017 was duly noted.

#### 4) **Approval of the Acts of Management for the year ended 31 December 2017**

Upon the request of the Chairman, the Corporate Secretary presented the Acts of Management for the year ended 31 December 2017. Copies of the presentation were furnished to the stockholders prior to the meeting, and a copy thereof is appended to these minutes by reference. The Corporate Secretary gave a brief summary of the acts of management for approval, as follows:

##### (i) Acts approved at the regular meeting of the Board held on March 14, 2017

- BD Res. No. 02-2017 – Approving the declaration of a cash dividend in the total amount of ₱1,631,250,000.00 to be paid out of the retained earnings as of December 31, 2016, and payable on March 15, 2017 to all shareholders of record as of the date of the approval of the resolution, in proportion to their respective shareholdings
- BD Res. No. 03-2017 – Approving the Audited Financial Statements of the Company for the year ended December 31, 2016, and designating the signatories to the Statement of Management Responsibility, General Representation Letter, and the Authority to Print the Independent Audit Report
- BD Res. No. 04-2017 – authorizing the Company to apply for a Salary Loan Facility with the Bank of Commerce, designating the signatories thereto, and authorizing Jose M. Magno III, an officer of the HRAD, to sign the required employment certification and confirmation and such other documents required to support the individual loan applications of qualified employees

##### (ii) Acts approved at the organizational meeting held on May 11, 2017

- Electing the officers for the current year:
  - Ramon S. Ang – Chairman
  - Jose P. de Jesus – Vice Chairman
  - Shadik Wahono – President
  - Raoul Eduardo C. Romulo – Treasurer
  - Nadiya W. Stamboel – Chief Financial Officer (CFO)
  - Virgilio S. de Guzman – Deputy CFO and Deputy CIO
  - Cynthia M. Laureta – Corporate Secretary and Compliance Officer
  - Shaina Anella B. Ramirez – Assistant Corporate Secretary
  - Alvin B. Bugtas - Assistant Corporate Secretary
  - Patrick Philip L. Capulong – Alternate Assistant Corporate Secretary
- BD Res. No. 06-2017 – Appointing the following:



- Cynthia M. Laureta – Compliance Officer
  - Raoul Eduardo C. Romulo – Corporate Information Officer (CIO)
  - Virgilio S. de Guzman – Deputy CIO
- BD Res. No. 07-2017 – Approving the revised Manual on Corporate Good Governance
  - BD Res. No. 08-2017 – Approving the following:
    - the establishment of a Corporate Governance Committee, to exercise the duties and functions prescribed under the Manual, and replace and exercise the functions previously exercised by the Nominations and Hearing Committee and the Compensation Committee
    - the establishment of an Audit and Risk Oversight Committee, to exercise the duties and functions prescribed under the Manual, and replace and exercise the functions previously exercised by the Audit Committee
    - the establishment of a Related Party Transaction Committee, to exercise the duties and functions prescribed under the Manual
    - retention of the existing Finance Committee
  - BD Res. No. 09-2017 – Appointing the chairpersons and members of the following committees:

*Corporate Governance Committee*

Chairperson	:	Jose Portugal Perez
Members	:	Consuelo Ynares-Santiago Mario K. Surio

*Audit and Risk Oversight Committee*

Chairperson	:	Consuelo Ynares-Santiago
Members	:	Jose Portugal Perez Jose P. De Jesus Mario K. Surio Fema C. Q. Piramide-Sayson

*Related Party Transaction Committee*

Chairperson	:	Jose Portugal Perez
Members	:	Consuelo Ynares-Santiago Jose P. De Jesus

*Finance Committee*

Chairperson	:	Lorenzo G. Formoso III
Members	:	Nadiya Stamboel Cristina Mia S. Pineda

(iii) Acts approved at the regular meeting held on August 23, 2017

- BD Res. No. 10-2017 – Approving the supplemental capital expenditures budget for 2017 in the total amount of ₱466,273,000.00
- BD Res. No. 11-2017 – Approving the declaration of a cash dividend in the total amount of ₱1,812,500,000.00, to be paid out of the retained earnings of the Company as of July 31, 2017, and payable on September 13, 2017 to all shareholders of record

as of the date of the approval of this resolution, in proportion to their respective shareholdings

(iv) Acts approved at the regular meeting held on November 29, 2017

- BD Res. No. 12-2017 – Approving the budget of the Company for 2018, consisting of the capital expenditure budget and operating expenditure budget
- BD Res. No. 13-2017 – Authorizing the Company, represented by Management, to enter into a Reimbursement Agreement with the Department of Public Works and Highways, for the provision by the Company of advances for the acquisition of the right-of-way for the South Luzon Expressway-Toll Road 4 project
- BD Res. No. 14-2017 – Authorizing the Company, represented by Management, to enter into the following agreements with Intelligent E-Processes Technologies Corporation (IETC):
  - Toll Collection System Software License Agreement
  - Toll Collection System Software Administration and Maintenance Agreement
  - RFID Subscriber Management, Sales, and Marketing Services Agreement
- BD Res. No. 15-2017 – Authorizing the Company, represented by Management, to enter into the Interoperability Agreement with the Toll Road Concessionaires/Operators, in line with the general principles laid down in the Memorandum of Agreement dated September 15, 2017 (the “MOA”) with the Department of Transportation, the Department of Public Works and Highways, the Toll Regulatory Board, and the Land Transportation Office, laying down the agreement and undertaking of the Toll Road Concessionaires/Operators to render their respective toll roads interoperable, and to enter into an Interoperability Agreement for the said purpose, and ratifying and confirming the MOA, in its entirety, and the execution thereof by Raoul Eduardo C. Romulo and Manuel M. Bonoan, on behalf of the Company
- BD Res. No. 16-2017 – Approving and adopting the Data Privacy Policy dated November 29, 2017
- BD Res. No. 17-2017 – Approving the closure of the Escrow Account opened by the Company with Banco de Oro Unibank, Inc.-Trust and Investments Group, for the Interoperability Fund of the Corporation and Citra Metro Manila Tollways Corporation, and authorizing Raoul Eduardo C. Romulo and Virgilio S. De Guzman to sign, execute and deliver any and all documents required to close the said Escrow Account
- BD Res. No. 18-2017 – Amending in part BD Res. No. 04-2017 (BD RM 03-04-17), authorizing the establishment with the Bank of Commerce of a Salary Loan Facility by designating, the HRAD Head of the Company, Christopher L. Ang, Jr., as the authorized signatory of the required employment certification and confirmation and such other documents required to support the individual loan application of the Company’s qualified employees under the said Salary Loan Facility, *vice* Jose M. Magno III



- BD Res. No. 19-2017 – Amending in part BD Res. No. 09-2012 (JSM BD SH 02-07-12), authorizing the enrolment of the Company in the Online Tax Payment Service of the Standard Chartered Bank, Ayala Avenue Branch, in connection with the Bureau of Internal Revenue’s Electronic Filing and Payment System

Upon motion duly made and seconded, the following resolution was unanimously approved and adopted by the stockholders representing at least a majority of the issued and outstanding capital stock of the Corporation:

SH Res. No. 01-2018 (SH AGM 05-10-18)

“RESOLVED, that the stockholders representing at least a majority of the issued and outstanding capital stock of the South Luzon Tollway Corporation (the ‘Corporation’) approve, as they so hereby approve, the acts of management and of the Board of Directors of the Corporation for the year ended 31 December 2017, as presented at the Annual General Meeting of the stockholders on 10 May 2018”

**5) Election of Directors for the Current Year**

The meeting proceeded to the election of directors for the current year. The Corporate Secretary informed the Board that there are eleven (11) Board seats, two (2) of which are reserved for the Independent Directors and the remaining nine (9) Board seats are allocated among the principal shareholders, with their respective nominees as follows:

*Republic of the Philippines* : Two (2)

Antonette C. Tionko  
Paola Sherina A. Alvarez

*MTD Manila Expressways, Inc.* : Seven (7)

Ramon S. Ang  
Shadik Wahono  
Jose P. de Jesus  
Mario K. Surio  
Lorenzo G. Formoso III  
Nadiya W. Stamboel  
Fema C. Q. Piramide-Sayson

*Independent Directors* : Two (2)

Justice Jose Portugal Perez  
Justice Consuelo Ynares-Santiago

Upon nominations duly made and seconded, the following were elected as directors of the Corporation for the current year, to serve as such until their successors are duly elected and qualified:

Ramon S. Ang  
Jose P. de Jesus  
Ery Shadik Wahono





Mario K. Surio  
Lorenzo G. Formoso III  
Nadiya W. Stamboel  
Fema C. Q. Piramide-Sayson  
Antonette C. Tionko  
Paola Sherina A. Alvarez  
Jose Portugal Perez  
Consuelo Ynares-Santiago

6) **Appointment of external auditor for the financial year ending 31 December 2018**

The meeting proceeded to the appointment of the external auditor for the financial year ending 31 December 2018. Mr. Virgilio S. de Guzman, Deputy CFO, on behalf of the Audit Committee, manifested that the committee is recommending the appointment of the auditing firm Reyes Tacandong & Co. as the external auditors of the Corporation for the financial year ending 31 December 2018.

Upon motion duly made and seconded, the following resolution was unanimously approved and adopted by the stockholders representing at least a majority of the issued and outstanding capital stock of the Corporation:

SH Res. No. 02-2018 (AGM 05-10-18)

“RESOLVED, that stockholders representing at least as majority of the issued and outstanding capital stock of the South Luzon Tollway Corporation (the ‘Corporation’) appoint, as they so hereby appoint, the auditing firm of Reyes Tacandong & Co. as the external auditor of the Corporation for the audit of the financial statements of the Corporation for the financial year from 1 January to 31 December 2018.”

7) **Adjournment**

There being no other matters to discuss, the meeting was adjourned.

ATTEST:

  
**RAMON S. ANG**  
Chairman/Director

  
**CYNTHIA M. LAURETA**  
Corporate Secretary