

**MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING
OF THE**

SMC SLEX INC.

Held via remote communications through video conference
on 11 May 2023 at 3:00 p.m.

<u>PRESENT:</u>	<u>No. of Shares</u>
Ramon S. Ang for himself	1
and as proxy for: SMC SLEX Holdings Company Inc.	2,899,999,991
Sheila N. Castaloni for herself	1
and as proxy for: The Republic of the Philippines	724,999,998
Lorenzo G. Formoso III	1
Susan Y. Yu	1
Jose P. de Jesus	1
Martin S. Villarama Jr.	1
Consuelo Ynares-Santiago	1
Aurora T. Calderon	1
Joseph N. Pineda	1
John Paul L. Ang	1
Total number of shares present	3,624,999,999
Total number of shares issued and outstanding	3,625,000,000
Percentage attendance of stockholders	99.99%

ALSO PRESENT:

Catherine L. Fong
Ferdinand K. Constantino
Raoul Eduardo C. Romulo
Virgilio S. de Guzman
Jacinto P. Dela Cruz Jr.
Crisallie D. Geronimo
Jose C. Laureta
Noellie R. Majarucon
Shaina Anella B. Ramirez
Carlo Magno C. Caballa
Rea Samantha G. Torres

1. Call to order and certification of notice and quorum

Before the meeting formally began the Chairman, Mr. Ramon S. Ang, appointed Ms. Aurora T. Calderon to be the Acting Chairman for the meeting. The Acting Chairman called the meeting to order and presided over the same. The Corporate Secretary, Atty. Jose C. Laureta confirmed the attendance, location and device of the stockholders through a roll call. 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 100% of the issued and outstanding capital stock of the Corporation.

For each Agenda Item, a motion shall be made by any stockholder and when duly seconded by another shareholder (there being no objections from any stockholder) shall be declared as duly approved and carried by the all the stockholders present in the meeting. Should there be any objection from a stockholder, such objection shall be registered as a dissent to and a vote against the passage of the subject resolution. For purposes of election of the members of the Board of Directors, a stockholder may vote the number of common shares held in his name in the stock and transfer book of the Corporation and may vote such number of common shares for as many persons as there are directors to be elected. or he may cumulate said common shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his common shares shall equal, or he may distribute them on the same principle as among as many candidates as he shall see fit; provided, that the total number of votes cast by him shall not exceed the number of common shares owned by him as shown in the books of the Corporation multiplied by the total number of directors to be elected, as set forth in the Information Statement.

2. Approval of the Minutes of the Annual Stockholders' Meeting held on May 12, 2022

The meeting proceeded to the second item in the agenda, that is, the approval of the minutes of the Annual Stockholders' Meeting held on May 12, 2022. The Chairman requested the stockholders to peruse their copies of the minutes, which had been furnished them prior to the meeting. A copy of the same is attached to these minutes by reference.

Upon motion duly made and seconded, and there being no objections, the minutes of the Annual Stockholders' Meeting held on May 12, 2022 were unanimously approved.

3. Report to Stockholders

Upon the request of Atty. Formoso, the reading of the President's Report on the operations and performance of the Corporation for the year 2022 was dispensed with since copies of the same were furnished to the stockholders prior to the meeting. However, the slide presentation of the said report was projected before the stockholders during the meeting. A copy of the report is appended to these minutes by reference.

The report highlighted the following:

- During the year, vital sectors of the economy resumed full operations
 - SLEX traffic volume achieved an Annual Average Daily Traffic (AADT) of 376, 267, an increase of 12% from 2021 and 3% above the pre-pandemic traffic volume.
 - Majority of motorists traversing the SLEX consists of Class 1 vehicles, accounting for 84% of total traffic volume in 2022.
 - Overall, AADT in SLEX registered a CAGR of 5.6%, from 5.0% in 2021.
 - As a result, toll revenue went up by 16% to P6.4 billion from P.6 billion while Cost and Expenses decreased by 3% to P2.1 billion from P2.2 billion.

- EBITDA increased by 23% to P5.0 billion from P4.1 billion. Total Comprehensive Income increased by 33% to P3.5 billion from P2.6 billion.
- Financials
 - Total Assets amounted to P18.7 billion, an increase of 9% mainly due to higher service concession rights and property and equipment.
 - Total Debt decreased by 32% to P4.2 billion from P6.2 billion mainly due to payment of Series B retail bonds during the year.
 - The 32% increase in Total Equity which stood at P14.5 billion as of December 31, 2022 resulted from Net Income of P3.5 billion.
- Enhancement initiatives
 - Seamless project consisting of new entry and exit toll plazas to decongest traffic at Calamba and Ayala Greenfield mainline barrier opened on December 1, 2023 and became fully operational by December 16, 2023.
 - The SLEX Widening project expands our carriageway into 6 lanes for northbound and southbound from Filinvest to Susana.
 - The expansion of our tollroad portfolio continues with the construction of the TR-4 Project, which extends the SLEX up to Lucena City, Quezon

4. Presentation and approval of the Audited Financial Statements for the year ended 31 December 2021

Ms. Noellie R. Majarucon presented the audited financial statements for the year ended 31 December 2022, together with a summary of the significant items thereof. Copies of the audited financial statements and presentation were furnished the stockholders prior to the meeting, and are made integral parts of these minutes by reference.

After the report, the Chairman of the Audit Committee, Hon. Consuelo Ynares-Santiago, manifested that the Audit Committee has reviewed the audited financial statements and is recommending its approval by the stockholders.

Upon motion duly made and seconded, and there being no objections, the following resolution was unanimously approved and adopted:

“RESOLVED, that the stockholders representing at least a majority of the issued and outstanding capital stock of the SMC SLEX Inc. (the ‘Corporation’) approves, as it so hereby approves, the Audited Financial Statements of the Corporation for the year ended 31 December 2022, as presented to the stockholders at its annual meeting held on 11 May 2023.”

5. Election of Directors

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)

Sheila N. Castaloni
Catherine L. Fong

SMC SLEX Holdings Company Inc. : Seven (7)

Ramon S. Ang
Aurora T. Calderon
Jose P. de Jesus
Susan Y. Yu
Lorenzo G. Formoso III
Joseph N. Pineda
John Paul L. Ang

Independent Directors : Two (2)

Justice Martin S. Villarama Jr.
Justice Consuelo Ynares-Santiago

The Assistant Corporate Secretary explained that the Information Statement circulated to the stockholders provided the names of the nominees for election as independent directors of the Board of Directors and they are Consuelo M. Ynares-Santiago and Martin S. Villarama, Jr. She likewise informed the stockholders that all the named independent directors comply with the mandatory requirements imposed by the Securities and Exchange Commission.

A motion was made for the above-named nominees be unanimously elected as directors of the Corporation for the ensuing year until their successors are elected and qualified, and (that the votes of the stockholders present and represented by proxies be distributed and recorded accordingly.

Upon nominations duly made and seconded, and there being no objections, 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
Aurora T. Calderon
Susan Y. Yu
Lorenzo G. Formoso III
Joseph N. Pineda
John Paul L. Ang
Sheila N. Castaloni
Catherine L. Fong
Martin S. Villarama, Jr.
Consuelo Ynares-Santiago

6. Ratification of Acts and Proceedings of the Board of Directors

Upon the request of the Chairman, the Assistant Corporate Secretary presented the Acts of Management for the year ended 31 December 2021. 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 of directors held on 17 March 2022:
- Minutes of the regular meeting of the board of directors held on 12 November 2021

- Approval of the audited financial statements for the year ended 31 December 2021 and authorizing the Chairman and President, and the Treasurer to sign the Statement of Management Responsibility, and General Representation Letter and Statement of Management's Responsibility for the Annual Income Tax Return and the Treasurer to sign the Authority to Print
 - Approval of the setting of 20 April 2022 as the record date for the purpose of the annual stockholders' meeting scheduled on 12 May 2022
- (ii) Acts approved at the regular meeting of the board of directors held on 12 May 2022:
- Approval of the financial and operating results for the period ended 31 March 2022
 - Endorsement to the stockholders of Reyes Tacandong & Co. as the external auditor for the financial year ending 31 December 2022
- (iii) Acts approved at the organizational meeting held on 12 May 2022:
- Minutes of the regular meeting of the board of directors held on 17 March 2022
 - Appointing the following By-Laws Officers
 - Ramon S. Ang – President and Chairman
 - Jose P. de Jesus – Vice Chairman
 - Raoul Eduardo C. Romulo – Treasurer and Chief Financial Officer (CFO)
 - Virgilio S. de Guzman – Deputy CFO
 - Jose C. Laureta – Corporate Secretary
 - Shaina Anella B. Ramirez – Assistant Corporate Secretary
 - Carlo Magno C. Caballa – Alternate Assistant Corporate Secretary
 - Appointing the following statutory officers
 - Jose C. Laureta – Compliance Officer
 - Raoul Eduardo C. Romulo – Corporate Information Officer (CIO)
 - Virgilio S. de Guzman – Deputy CIO
 - Appointing the chairpersons and members of the committees.
 - Approval of the granting of the general authority for the Company to engage in transactions in the routine and ordinary course of business of the Company and designating the authorized signatories and setting the signing parameters for the said transactions
- (iv) Acts approved at the regular meeting of the board of directors held on 11 August 2022:
- Minutes of the regular meeting and the Organizational Meeting of the Board of Directors held on 12 May 2022
 - Election of Replacement Director
 - Appointment of Internal Audit Group Head
 - Approval of the financial and operating results for the period ended 30 June 2022
 - Approval of the supplemental capital expenditures (CAPEX) budget of the Corporation for the year 2022
 - Updating of authorized signatories for corporate transactions
- (v) Acts approved at the regular meeting of the board held on 5 December 2022:
- Approval of the Minutes of the Regular Meeting of the board of directors held on 11 August 2022
 - Election of replacement directors
 - Approval of the financial and operating results for the period ended 30 September 2022
 - Approval of the CAPEX and the operating expenditure (OPEX) budget for the year 2023
 - Approval of the authority to enter into agreements with related parties

- renewal of advertising agreements with related parties
- renewal of O&M Fee Agreement with Manila Toll Expressway Systems, Inc.
- service agreements with related parties
- Authorizing the renewal of the Salary Loan Facility with the Bank of Commerce, designating the signatories of the Corporation therefor

Upon motion duly made and seconded, there being no objections, the ratification of the acts of the Board of Directors for the year ended 31 December 2021 was unanimously approved and adopted by the stockholders representing at least a majority of the issued and outstanding capital stock of the Corporation by approving the following resolution:

“RESOLVED, as it is hereby resolved, that all acts, resolutions, and proceedings of the Board of Directors and corporate officers of the Corporation since the Annual Stockholders Meeting held on 11 May 20223 until the date of this meeting, be approved, confirmed and ratified.”

7. Appointment of external auditor for the financial year ending 31 December 2023

The meeting proceeded to the appointment of the external auditor for the financial year ending 31 December 2023. Hon. Consuelo Ynares-Santiago, Chairperson 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 2023.

Upon motion duly made and seconded, there being no objections, 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:

“RESOLVED, that stockholders representing at least a majority of the issued and outstanding capital stock of SMC SLEX Inc. (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 2023.”

8. Adjournment

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

The voting results for each Agenda Item is set out in the attached Annex “A” hereof.

ATTEST:

RAMON S. ANG
Chairman/Director

JOSE C. LAURETA
Corporate Secretary

Voting Results of each Agenda Item of the
Annual Meeting of the Stockholders of
SMC SLEX Inc.
held on 11 May 2023

Agenda Item	Percentage of Outstanding Shares Voted For the Approval of the Agenda Item
Approval of the Minutes of the Annual Stockholders' Meeting held on May 12, 2022	100%
Approval of the Audited Financial Statements for the year ended 31 December 2022	100%
Election of the Board of Directors For each of Ramon S. Ang, Jose P. de Jesus, Aurora T. Calderon, Susan Y. Yu, Lorenzo G. Formoso III, Joseph N. Pineda, John Paul L. Ang, Sheila N. Castaloni, Catherine L. Fong, Consuelo M. Ynares- Santiago, and Martin S. Villarama, Jr.	100%
Approval of the Acts and Proceedings of the Board of Directors and Corporate Officers for the year ended 31 December 2022	100%
Appointment of External Auditors	100%