

MINUTES OF THE ANNUAL MEETING  
OF THE STOCKHOLDERS  
OF  
**METRO GLOBAL HOLDINGS CORPORATION**

Held on 6 December 2019 (9:00 a.m.)

at OUDH Room, Marco Polo Hotel - Ortigas  
Meralco Avenue & Sapphire Road, Ortigas Center, Pasig City, Philippines

**STOCKHOLDERS PRESENT:**

No.	Stockholders	Subscription	Paid-Up	Percentage to Total Outstanding Capital Stock
1.	Fil-Estate Management, Inc.	1,757,690,197	P1,757,690,197.00	87.88450
2.	Robert John L. Sobrepeña	241,000	P241,000.00	0.01205
3.	Ferdinand T. Santos	1,000	P1,000.00	0.00000
4.	Enrique A. Sobrepeña, Jr.	1,000	P1,000.00	0.00000
5.	Noel M. Cariño	1,506,500	P1,506,500.00	0.07532
6.	Rafael Perez de Tagle, Jr.	1,000	P1,000.00	0.00000
7.	Alice Odchigue-Bondoc	1	P1.00	0.00000
8.	Francisco C. Gonzalez	1,000	P1,000.00	0.00000
9.	Jaime M. Cacho	1	P1.00	0.00000
10.	Jose Domingo P. Swann	7,000	P7,000.00	0.00000
11.	William Russell L. Sobrepeña	82,000	P82,000	0.00400
12.	Eduardo Borja ( <i>lodged with broker</i> )	1,000	P1,000.00	0.00000
13.	Abigail Sy ( <i>lodged with broker</i> )	10,000	P10,000.00	0.00100
14.	Tan Tok Suy ( <i>lodged with broker</i> )	10,000	P10,000.00	0.00100
15.	Solita S. Alcantara	15,000	P15,000.00	0.00100
16.	Rafael Alunan III	16	P16.00	0.00000
	<b>Total</b>	<b>1,759,566,715</b>	<b>P1,759,566,715.00</b>	<b>87.98%</b>

**DIRECTORS PRESENT:**

1. Mr. Robert John L. Sobrepeña (Chairman and Chief Executive Officer)
2. Atty. Ferdinand T. Santos (President)
3. Mr. Noel M. Cariño
4. Mr. Rafael Perez de Tagle, Jr.
5. Mr. Francisco C. Gonzalez
6. Mr. Jaime M. Cacho
7. Atty. Alice Odchigue-Bondoc (Assistant Corporate Secretary)

**OFFICERS PRESENT:**

1. Mr. Ramon Jimenez (Chief Financial Officer)
2. Atty. Gilbert Reyes (Corporate Secretary)
3. Ms. Solita Alcantara (Chief Audit Executive)
4. Sylvia M. Hondrade (Vice President for Business Development and Special Projects)

**1. Call to Order**

Mr. Robert John L. Sobrepeña, the Chairman of the Board of Directors, called the meeting to order and presided over the same. Atty. Gilbert Raymund T. Reyes, the Corporate Secretary, recorded the minutes of the proceedings.

**2. Determination and Certification of Quorum**

The Corporate Secretary certified to the existence of a quorum, there being present in person or by proxy the owners of 87.98% of the total outstanding capital stock of the Corporation.

**3. Reading and Approval of Minutes of Previous Meeting**

The first item on the agenda was the reading and approval of the minutes of the preceding annual meeting of the stockholders held on 22 November 2018. Upon motion duly made and seconded, the reading of the minutes of the 22 November 2018 annual stockholders' meeting was dispensed with, since copies of the same were distributed to the stockholders prior to the meeting. Thereafter, there being no questions and objections, and upon motion duly made and seconded, the minutes of the 22 November 2018 annual stockholders' meeting were unanimously approved.

#### **4. Report of the Chief Executive Officer and the Chief Financial Officer**

Mr. Sobrepeña, the Corporation's Chief Executive Officer, then reported on the Corporation's operations and business plans moving forward.

On the Corporation's new directions, he stated that in view of the expansion of the Corporation's primary purposes to include investments in businesses engaged in solar, wind, and other renewable energy generation facilities, the Corporation acquired two renewable energy firms, namely:

- a. Metro Solar Power Solutions, Inc., which is a company incorporated to engage in the construction and operation of solar facilities; and
- b. Metro Renewable Energy Corporation, a company that seeks to pursue the development and operation of renewable energy other than solar (e.g., hydropower, wind energy, and waste-to-energy).

Mr. Sobrepeña then discussed the projects being handled or to be pursued by these two renewable energy firms (e.g., Metro Solar's project in Pililla, Rizal and Metro Renewable's possible waste-to-energy projects in Baguio City and Pasig City).

Mr. Sobrepeña also updated the stockholders on the operations of the Corporation's train-related companies, namely:

- a. Metro Rail Transit Development Corporation ("MRTDC"), which handles the non-rail business within the MRT system like real estate development, leasing operations and advertising in the MRT stations and trains; and
- b. Metro Rail Transit Corporation.

Thereafter, Mr. Ramon G. Jimenez, the Corporation's Chief Financial Officer, reported on the Corporation's financial highlights. He said for the year ended 31 December 2018, the Corporation posted a net income of PHP22.4 million, which is a significant improvement from its 31 December 2017 net operating loss of PHP5.5 million.

Mr. Jimenez noted that the Corporation's main source of income is still its share in the lease rental income termed as "depot royalties" received annually from North Triangle Depot Commercial Corporation. For 2018, the Corporation recognized lease depot royalties amounting to PHP29.5 million, which is about PHP1.7 million or 5.7% higher than the PHP27.8 million received in 2017.

Mr. Jimenez also reported that the Corporation acquired the 15.8% equity interest of Fil-Estate Properties, Inc. (FEPI) in MRTDC, which resulted in the Corporation recognizing a PHP17.9 million income, representing FEPI's 15.8% in the net equity earnings of MRTDC.

As to the other highlights, Mr. Jimenez shared the following:

- a. The Corporation's general and administrative expenses amounting to PHP14.6 million in 2018 were mainly due to professional and retainer fees, salaries and wages, and taxes and licenses. This amount is PHP1.9 million or 11% less than the PHP16.5 million spent in 2017, and the decrease is in view of the Corporation's reduction in consultancy fees.
- b. Other expenses for 2018 amounted to PHP8.6 million representing impairment loss recognized on the Corporation's financial assets. This amount is about PHP3 million or 26% less than that for 2017.
- c. The Corporation's Total Assets as of 31 December 2018 amounted to PHP1.56 billion, which is about PHP15.4 million or 1% higher than the Total Assets of P1.54 billion as of 31 December 2017.
- d. The Corporation's Total Liabilities decreased by PHP6.2 million or 0.4% from PHP1.59 billion as of 31 December 2017 to PHP1.58 billion as of 31 December 2018.
- e. The Corporation's Stockholders Equity significantly improved by P21.5 million or 47% from a negative equity balance of P45.9 million in 2017 to a negative equity balance of P24.3 million in 2018, in view of the P22.4 million net income recognized by the Corporation in 2018.

The stockholders were then given the opportunity to ask questions or to comment on the Reports. However, no queries were submitted.

## **5. Approval of the Annual Management Report and Audited Financial Statements for the Calendar Year Ended 31 December 2018**

The next item on the agenda was the approval of the Annual Management Report and Audited Financial Statements for the calendar year ended 31 December 2018. There being no questions and objections, and upon motion duly made and seconded, the stockholders unanimously approved the Annual Management Report and Audited Financial Statements for the calendar year ended 31 December 2018.

**6. Ratification of the Actions and Proceedings Taken by the Board of Directors, Various Committees, and Corporate Officers from 2018 to Present**

The Chairman then asked the stockholders to ratify the actions and proceedings taken by the Board of Directors, the various Committees constituted pursuant to the Code of Corporate Governance, and corporate officers for the year 2018 up to the present. Copies of the minutes of the Board and Committee meetings were made available for the stockholders' inspection at the Corporate Secretary's desk prior to the meeting.

There being no questions and objections, and upon motion duly made and seconded, the stockholders unanimously approved a resolution adopting, confirming, and ratifying all the corporate actions and proceedings undertaken by the Corporation's Board of Directors, the various Committees constituted pursuant to the Code of Corporate Governance, and corporate officers for the year 2018 up to the present.

**7. Election of Directors for the Year 2019 to 2020**

The stockholders proceeded with the election of the directors of the Corporation for 2019 to 2020. Upon motion duly made and seconded, the following were unanimously elected as directors of the Corporation for 2019 to 2020, and until their successors are duly elected and qualified in accordance with the Corporation's By-Laws:

Robert John L. Sobrepeña  
 Ferdinand T. Santos  
 Noel M. Cariño  
 Alice Odchigue-Bondoc  
 Rafael Perez de Tagle, Jr.  
 Jaime M. Cacho  
 Roberto S. Roco  
 Francisco C. Gonzalez (as independent director)  
 Eduardo R. Santos (as independent director)

## **8. Appointment of External Auditor**

Upon motion duly made and seconded, the stockholders unanimously approved the appointment of auditing firm of KL Siy & Associates, CPAs, as the external auditor of the Corporation for the current calendar year ending, December 31, 2019.

## **9. Amendment of the Articles of Incorporation**

The next item on the agenda was the approval of the proposed amendment to the Corporation's Articles of Incorporation.

The Chairman informed the stockholders that in a special meeting held on 31 October 2019, the Board of Directors approved the amendment of the Articles of Incorporation to indicate the new location of the Corporation's principal place of business in Pasig City and to specify the complete address at First Floor, Renaissance Towers, Meralco Avenue, Pasig City in compliance with Memorandum Circular No. 16, Series of 2014 of the Securities and Exchange Commission ("SEC").

The Chairman advised the stockholders that the said SEC Memorandum Circular requires the amendment of a company's Articles of Incorporation should there be a change in the city where the company's principal address is located, as well as to specify the company's complete address such that it indicates the name of the building, the number of the building and the name and number of the room or unit. In the case of Metro Global Holdings Corporation, its Articles of Incorporation presently state that the principal place of business is Mandaluyong City, without specifying the complete address.

There being no questions and objections, and upon motion duly made and seconded, the stockholders unanimously approved a resolution approving, confirming, and ratifying the amendment of the Third Article of the Corporation's Articles of Incorporation to change the Corporation's principal office address from "Mandaluyong, Metro Manila" to "Mezzanine Floor, Renaissance Towers, Meralco Avenue, Pasig City, Metro Manila", to comply with Memorandum Circular No. 16, Series of 2014 of the Securities and Exchange Commission.

## **10. Adjournment**

There being no further business to discuss, the meeting was thereupon adjourned.

**SUMMARY OF THE VOTING FOR EACH AGENDA ITEM:**

<b>ITEM</b>	<b>VOTING RESULT</b>
1. Approval of Minutes of Previous Meeting	Unanimously approved
2. Approval of the Annual Management Report and Audited Financial Statements for the Calendar Year Ended 31 December 2018	Unanimously approved
3. Ratification of the Actions and Proceedings Taken by the Board of Directors, Various Committees, and Corporate Officers from 2018 to Present	Unanimously approved
4. Election of Directors for the Year 2019 to 2020	Unanimously voted upon:  Robert John L. Sobrepeña Ferdinand T. Santos Noel M. Cariño Alice Odchigue-Bondoc Rafael Perez de Tagle, Jr. Jaime M. Cacho Roberto S. Roco Francisco C. Gonzalez (as independent director) Eduardo R. Santos (as independent director)
5. Appointment of External Auditor	Unanimously appointed:  KL Siy & Associates, CPAs
6. Amendment of the Third Article of the Corporation's Articles of Incorporation	Unanimously ratified

**ATTEST:**

**ROBERT JOHN L. SOBREPEÑA**  
Chairman

  
**GILBERT RAYMUND T. REYES**  
Corporate Secretary