

**MINUTES OF THE ANNUAL STOCKHOLDERS’ MEETING OF LT GROUP, INC. HELD
ON JUNE 30, 2020 AT 10:00 A.M. VIA REMOTE COMMUNICATION**

STOCKHOLDERS:

In Person	6,808 shares	0.000%
By Proxy	9,060,555,532 shares	83.73%
	9,060,562,340 shares	83.73%

PRESENT:

LUCIO C. TAN	-	CHAIRMAN
CARMEN K. TAN	-	DIRECTOR
HARRY C. TAN	-	DIRECTOR
MICHAEL G. TAN	-	DIRECTOR/PRESIDENT
LUCIO C. TAN III	-	DIRECTOR
VIVIENNE K. TAN	-	DIRECTOR
JUANITA T. TAN LEE	-	DIRECTOR/TREASURER
JOHNIP G. CUA	-	INDEPENDENT DIRECTOR
MARY G. NG	-	INDEPENDENT DIRECTOR
WILFRIDO E. SANCHEZ	-	INDEPENDENT DIRECTOR
FLORENCIA G. TARRIELA	-	INDEPENDENT DIRECTOR

I. CALL TO ORDER

The President, Mr. Michael G. Tan, called the meeting to order and presided over the same. The Corporate Secretary, Ms. Ma. Cecilia L. Pesayco, then informed everyone that meeting is being convened via the Zoom webinar application and that it is being recorded in accordance with the requirement of the Securities and Exchange Commission.

The Corporate Secretary called out the names of the directors present in the meeting, Dr. Lucio C. Tan, Ms. Carmen K. Tan, Mr. Harry C. Tan, Mr. Michael G. Tan, Mr. Lucio C. Tan III, Ms. Vivienne K. Tan, Ms. Juanita T. Tan Lee, Mr. Johnip G. Cua, Ms. Mary G. Ng, Mr. Wilfrido E. Sanchez, and Ms. Florencia G. Tarriela.

II. PROOF OF THE REQUIRED NOTICE OF THE MEETING

Mr. Michael G. Tan inquired if the stockholders were duly notified of this meeting. The Corporate Secretary, Ms. Ma. Cecilia L. Pesayco, certified that the notice for the meeting was published in the business section of two newspapers of general circulation, the Philippine Daily Inquirer and the Philippine Star, in print and online format, for two consecutive days, and the last day of publication, June 5, 2020, is at least twenty-five (25) days prior to the date of the meeting, in full compliance with Rule 20 of the Securities Regulation Code. A Certification to this effect was executed by the Philippine Daily Inquirer and the Philippine Star, the publishing companies utilized by Management for the purpose, and was submitted for the record.

III. PROOF OF PRESENCE OF QUORUM

The Corporate Secretary certified that there were present in person or by proxy, a total of 9,060,562,340 shares, or 83.73% of the Corporation's 10,821,388,889 total issued and outstanding shares, thus a quorum existed for the valid transaction of business that may properly come before the body.

IV. APPROVAL OF THE MINUTES OF THE 2019 ANNUAL STOCKHOLDERS' MEETING HELD ON MAY 7, 2019

The next item in the agenda was the reading and approval of the Minutes of the previous Annual Stockholders' Meeting held on May 7, 2019. The matters discussed in the previous meeting were summarized in the Information Statement distributed to all stockholders.

As reported by the Corporate Secretary, the votes on the motion for the approval of the Minutes are as follows:

	FOR	AGAINST	ABSTAIN
No. of Voted Shares	9,060,562,340	None	None
% of Shares Voted	100.00%	0.00%	0.00%

Upon motion duly made and seconded, the reading of the Minutes of the Annual Stockholders' Meeting held on May 7, 2019 was dispensed with and the Minutes of the said meeting, as appearing in the minutes book of the Corporation, was approved.

V. CHAIRMAN'S MESSAGE

Before going further with the item in the Agenda, the President requested the Chairman to say a few words.

VI. MANAGEMENT REPORT

The President started his report with the Philippine economy's continued expansion in 2019, with GDP growing by 5.9%, although slower than 2018's 6.2% growth. This was largely due to the late approval of the General Appropriations Act. The Inflation was lower at 2.5% from 2018's 5.2%, brought about mainly by lower rice prices. This enabled consumer spending to remain healthy, with Household Consumption and Expenditure increasing by 5.8%. Remittances sent by OFWs to their families increased by 3.9% to USD33.5 Billion, while the number of employees of the IT-BPO industry expanded by around 6% to 1.3 Million and revenues reached USD26.3 Billion.

For LT Group, 2019 was a Banner Year, the Company's Attributable Net Income reached Php23.1 Billion, Php6.9 Billion or 43% higher than the Php16.2 Billion that was reported in 2018. The Tobacco business accounted for Php15.5 Billion or 67% of total attributable income. The Bank contributed Php5.6 Billion or 24%. Eton added Php896 Million or 4%. Tanduary accounted for Php667 Million or 3% while Asia Brewery provided Php398 Million or 2%. The stake in Victorias Milling Company accounted for Php251 Million or 1%.

The record profits have enabled the Company to pay record dividends. The Board declared a regular dividend of Php15 centavos and a special dividend of Php28 centavos, or a total of Php43 centavos for this year. This is Php13 centavos higher than last year. The total dividend of 4.7 billion pesos is equivalent to a 20% pay-out and was paid on June 19.

He then presented a video discussing each of the Operational Highlights of the Company's subsidiaries.

For the First Quarter of 2020, the Company reported an Attributable Net Income of Php6.2 Billion, Php1.8 Billion or 41% higher than the Php4.4 Billion of First Quarter 2019. The Tobacco business accounted for Php5 Billion or 80% of total attributable income. The Bank contributed Php761 Million or 12%, followed by Tanduay with Php199 Million or 3%. Eton added Php168 Million or 3% while Asia Brewery accounted for Php74 Million or 1%. Victorias Milling Company accounted for Php91 Million or 1%.

With the COVID-19 pandemic, the Company has a guarded outlook for 2020. The strong results for 2019 gave a strong foundation to the Group, and will hopefully help it weather this pandemic.

Since the Government ordered an Enhanced Community Quarantine in Metro Manila and the island of Luzon starting March 17, 2020, followed by other areas around the country, many industries have been disrupted, many people have lost their livelihood and jobs, while businesses are struggling to keep afloat. Moreover, thousands of OFWs have gone back to the Philippines as the host countries and employers also feel the impact of the pandemic. The Government estimates that the economy will contract by 2% in 2020, but some economists expect a higher deceleration of 10-20%. With purchasing power affected, demand for consumer goods is expected to be weak, and will affect the sales volumes of the products of PMFTC, Tanduay and Asia Brewery. Eton will also be affected as some tenants may end their lease contracts. PNB will have to grapple with non-performing loans (NPLs) and slower demand for loans. Even as the economy is restarted under different permutations of the quarantine thereafter, it will take a while before the economy goes back to the normal, or to what it used to be. The key to a faster recovery would be the availability of a vaccine, which we hope will be sooner than later.

To conclude, the President thanked the stakeholders for their continued support and trust in the Company. He also acknowledged the Board of Directors, Management Team and Employees for their dedication, commitment and hard work, and for being with the Company through good and difficult times.

Upon motion duly made and seconded, the Management Report, as reflected in the Annual Report, together with the financial statements for the period ending December 31, 2019, approved as follows:

STOCKHOLDERS RESOLUTION NO. 01-2020

“RESOLVED, that the Management Report, as reflected in the Annual Report, together with the financial statements for the periods ending December 31, 2019 and March 31, 2020, be noted and approved.”

As reported by the Corporate Secretary, the votes on the motion for the approval of the Management Report are as follows:

	FOR	AGAINST	ABSTAIN
No. of Voted Shares	9,056,786,940	3,775,400	None
% of Shares Voted	99.50%	0.05%	0.00%

VII. RATIFICATION OF ALL ACTS, DECISIONS, AND PROCEEDINGS OF THE BOARD OF DIRECTORS AND OF THE MANAGEMENT

The President then requested for the Stockholders' confirmation and ratification of all Acts, Resolutions, and Investments of the Board of Directors and Management for the Year 2019. A summary of the actions of the Board of Directors and Management for the year was contained in the Information Statement which was made available to all stockholders. Upon motion duly made and seconded, the stockholders approved as follows:

STOCKHOLDERS RESOLUTION NO. 02-2020

“**RESOLVED**, that all resolutions approved by the Board of Directors and Acts of Management for the Year 2019 up to the present be, as they are hereby, approved, confirmed and ratified as if each of the resolutions had been adopted with specific and special authorization by the stockholders in a meeting duly convened and held.”

As reported by the Corporate Secretary, the votes on the motion for the Ratification of All Acts, Decisions and Proceedings of the Board of Directors and Management for the Year 2019 are as follows:

	FOR	AGAINST	ABSTAIN
No. of Voted Shares	9,056,786,940	3,775,400	None
% of Shares Voted	99.50%	0.05%	0.00%

VIII. ELECTION OF DIRECTORS

The President then declared that the floor is open for the nomination of the Directors for the ensuing year. The Corporate Secretary reported that, the Nomination and Compensation Committee has approved the nomination of eleven (11) individuals as Directors of the Company for the year 2020-2021:

Lucio C. Tan
Carmen K. Tan
Harry C. Tan
Michael G. Tan
Lucio C. Tan III
Vivienne K. Tan
Juanita T. Tan Lee
Johnip G. Cua – Independent Director
Mary G. Ng – Independent Director
Wilfrido E. Sanchez – Independent Director
Florescia G. Tarriela – Independent Director

Mr. Johnip G. Cua, Ms. Mary G. Ng, Mr. Wilfrido E. Sanchez, and Ms. Florencia G. Tarriela were nominated as Independent Directors.

Taking into consideration the voting instructions received through proxies submitted to the Office of the Corporate Secretary, the latter declared the eleven (11) nominees with the highest number of votes as follows:

Lucio C. Tan
Carmen K. Tan
Harry C. Tan
Michael G. Tan
Lucio C. Tan III
Vivienne K. Tan
Juanita T. Tan Lee
Johnip G. Cua – Independent Director
Mary G. Ng – Independent Director
Wilfrido E. Sanchez – Independent Director
Florencia G. Tarriela – Independent Director

Upon motion duly made and seconded, the stockholders approved as follows:

STOCKHOLDERS RESOLUTION NO. 03–2020

“**RESOLVED**, to elect the following as directors of the Company to serve as such until the election and qualification of their successors.

Lucio C. Tan
Carmen K. Tan
Harry C. Tan
Michael G. Tan
Lucio C. Tan III
Vivienne K. Tan
Juanita T. Tan Lee
Johnip G. Cua
Mary G. Ng
Wilfrido E. Sanchez
Florencia G. Tarriela

As reported by the Corporate Secretary, the final votes received by the Nominees are as follows:

Lucio C. Tan	8,882,196,711	178,365,629	None
% of Shares Voted	98.03%	1.97%	0.00%
Carmen K. Tan	8,550,388,453	510,173,887	None
% of Shares Voted	94.37%	5.63%	0.00%
Harry C. Tan	8,877,144,253	183,418,087	None
% of Shares Voted	97.98%	2.02%	0.00%
Michael G. Tan	8,832,252,786	228,309,554	None
% of Shares Voted	97.48%	2.52%	0.00%

Lucio C. Tan III	8,726,430,601	334,131,739	None
% of Shares Voted	96.31%	3.69%	0.00%
Vivienne K. Tan	8,665,629,911	394,932,429	None
% of Shares Voted	95.64%	4.36%	0.00%
Juanita T. Tan Lee	8,832,139,946	228,422,394	None
% of Shares Voted	97.48%	2.52%	0.00%
Johnip G. Cua	8,857,244,969	203,317,371	None
% of Shares Voted	97.76%	2.24%	0.00%
Mary G. Ng	8,731,981,380	328,580,960	None
% of Shares Voted	96.37%	3.63%	0.00%
Wilfrido E. Sanchez	8,892,562,415	167,999,925	None
% of Shares Voted	98.15%	1.85%	0.00%
Florencia G. Tarriela	8,898,439,215	162,123,125	None
% of Shares Voted	98.22%	1.78%	0.00%

IX. REAPPOINTMENT OF EXTERNAL AUDITOR

The Chairman of the Committee, Mr. Johnip G. Cua reported that, after careful deliberation, the Audit and Risk Management Committee has recommended and endorsed the appointment of SGV & Co. as External Auditor of the Company. The partner-in-charge of the Company’s account is Mr. Martin C. Guantes who was appointed in 2016. There is therefore no need at this time to change the partner-in-charge of the Company’s account. Upon motion duly made and seconded, the stockholders approved as follows:

STOCKHOLDERS RESOLUTION NO. 04–2020

“**RESOLVED**, that the Company be, as it is hereby, authorized to appoint Sycip Gorres Velayo & Co. (SGV & Co.) as the External Auditor for the year 2020-2021.”

As reported by the Corporate Secretary, the votes on the motion for the reappointment of the External Auditor are as follows:

	FOR	AGAINST	ABSTAIN
No. of Voted Shares	9,060,562,340	None	None
% of Shares Voted	100.00%	0.00%	0.00%

X. OTHER MATTERS

Mr. Tan then asked if there was any question, clarification, or comments that a stockholder may wish to ask. The Corporate Secretary responded that there was no question or comment from the stockholders.

XI. ADJOURNMENT

There being no other business to discuss, upon motion duly made and seconded, the meeting was adjourned.

CERTIFIED CORRECT:

MA. CECILIA L. PESAYCO
Corporate Secretary

ATTESTED BY:

LUCIO C. TAN
Chairman