

**MINUTES OF THE ANNUAL STOCKHOLDERS’ MEETING OF LT GROUP, INC. HELD
ON MAY 3, 2024 AT 10:00 A.M. VIA REMOTE COMMUNICATION**

STOCKHOLDERS:

In Person	4,671,800 shares	0.04%
By Proxy	8,331,188,075 shares	76.99%
	8,335,859,875 shares	77.03%

PRESENT:

DR. LUCIO C. TAN	-	CHAIRMAN/CEO
CARMEN K. TAN	-	VICE CHAIRMAN
LUCIO C. TAN III	-	PRESIDENT/COO
MICHAEL G. TAN	-	DIRECTOR
KARLU T. SAY	-	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 and COO, Mr. Lucio C. Tan III, 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 President then acknowledged the Directors present in the meeting, namely, Dr. Lucio C. Tan, Ms. Carmen K. Tan, Ms. Karlu T. Say Mr. Michael G. Tan, 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

The President 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 the following 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, April 4, 2024, is at least twenty-eight (28) days prior to the date of this meeting. Affidavits of Publication were executed by the respective authorized representatives of Philippine Daily Inquirer, Inc. and PhilSTAR Daily, Inc., the publishing companies engaged by Management for the purpose. The Affidavits are hereby 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 8,335,859,875 shares, or 77.03% 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 2023 ANNUAL STOCKHOLDERS' MEETING HELD ON MAY 3, 2023**

The next item in the agenda was the reading and approval of the Minutes of the previous Annual Stockholders' Meeting held on May 3, 2023. The matters discussed in the previous meeting were summarized in the Information Statement distributed to all stockholders. In reply to the President's inquiry, the Corporate Secretary said that the Corporation did not receive any question regarding this matter. 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 Shares Voting	8,316,911,932	0	18,947,943
% of Shares	99.77%	0.00%	0.23%

The reading of the Minutes of the Annual Stockholders' Meeting held on May 3, 2023 was dispensed and the said Minutes, 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 read the message of the Chairman.

VI. **MANAGEMENT REPORT**

The President reported that the year 2023 was a year of transition for LT Group, Inc. It was also a year of significant challenges as the country emerged from the aftermath of the Covid-19 pandemic with an average inflation rate of 6% in 2023. The resulting consequence is not difficult to imagine, like higher prices of goods, raw materials, services, utilities, and reduced capacities of the citizens or consumers. Against this environment, your company successfully navigated through the challenges, and I am proud to report to you that LTG's attributable net income in 2023 amounted to Php 25.42 Billion. The outcome was made possible by the concerted efforts of all subsidiaries to perform and deliver the numbers that contributed to the performance of the Company. Allow me to share them with you.

PNB reported a net income of Php19.0 Billion in 2023 under the pooling method, reflecting a 62% increase from year-ago level of Php11.8 Billion. Without non-core, one-time items, PNB generated the highest net income in the history of the Bank in 2023. The increase was due to the significant gains in the net interest income combined with lower credit provisions. The net interest income was boosted by higher loans and improved yield rates. Consequently, with strong profitability, the Bank's total capital posted double digit growth to reach Php185.2 Billion, translating to higher capital ratios above the

regulatory minimum requirements of 10%. As at the end of 2023, the Bank's CAR (Solo) is 15.52% while the CET-1 ratio is 14.67%. Furthermore, on the consolidated basis, the CAR is 17.70% while the CET-1 ratio is 16.85%. Moreover, PNB was recently recognized as No.1 in Forbes Magazine's Philippine list of the world's best banks. The ranking was based on customer's overall satisfaction with PNB in five key areas: trustworthiness, terms and conditions, customer's service, digital services, and quality of financial advice.

Tanduay, the liquor company, is proud to report its record-high net income in 2023 at Php1.57 Billion, 7% higher than 2022's net income of Php1.47 Billion. It maintains its sales advantage in the key cities of Visayas and Mindanao, with the controlling market share of 71.8% and 79.3% respectively. As of the end of 2023, Tanduay's market share locally increased to 31.4%. Likewise, Tanduay has made inroads in foreign markets by making its presence felt in cities like San Francisco, New York, Los Angeles, and Las Vegas. Recently, Tanduay likewise launched in countries like Taiwan, Canada, and Australia.

Asia Brewery Inc. maintains its dominance in the energy drink category as Cobra Energy Drink continues to enjoy 60.4% market share while its bottled water, Absolute and Summit bottled water had the third largest share in the market at 19%. It reported a net income of Php571 Million in 2023. During the year, Asia Brewery launched several new products in partnership with Pascual of Spain, making available to the consumer healthy and delectable products like yogurt and milk in different flavors, as well as launching a vitamin C infused drinks in partnership with House Foods Group, Inc. of Japan, popularly known as C-Vitt drinks.

The effects of high inflation rate cannot be more felt in the tobacco business where the Company experienced lower volume due to the price increases in the first quarter of 2023. The price increases were necessitated by the increase of excise tax which constrained PMFTC to raise its prices. Further, the volume was likewise affected by the prevalent illicit trade pervading the economy. PMFTC, together with the relevant government agencies continues to do its share in combatting the illicit trade in various parts of the country. Notwithstanding the challenges, PMFTC reported a market share of 55.4% and contributed Php11.3 Billion to LTG. During the year, PMFTC launched next level in tobacco innovations, namely, iQos ILUMA, a bladeless heat no burn system that does not require cleaning after use, and in November, the subsidiary likewise launched ZYN, which are nicotine pouches that allow a smoke free and tobacco free experience.

With the reorganized and strengthened organization, Eton resumed the residential sales activities at the end of the third quarter of 2023. For this initiative, the team strategically focused on Quezon City and Santa Rosa, Laguna areas and in Q4 alone we were able to book Php104 Million in sales. Additionally, we were able to streamline many operations while attaining a steady 17% growth on our leasing revenue. As a result, Eton's net income rose to Php453 Million compared to Php373 Million in 2022, about a 21% increase.

Other subsidiaries like Victorias Milling Company added Php347 Million while PNB Holdings Corp. contributed Php333 Million to the income of the Company.

The President likewise informed the Shareholders, that in 2023, LTG declared cash dividends amounting to Php1.20 per share or a total of Php12.99 Billion, representing a 51.7% payout rate.

The Company's businesses' fundamentals are solid. While the Company is cautiously optimistic about the macro-economic trends as interest rates are likely to stay higher for longer, while the inflationary environment may stay longer than expected, the Company believes that your portfolio companies' solid business models, brand franchises, and strong balance sheets will allow it to withstand the macro-economic headwinds during the year. As we move Forward Together, we will do so with unity and resilience. We remain steadfast in our commitment as we work towards our shared vision.

The President thanked the stakeholders for their support and trust in the Company. He also thanked our Board of Directors, the management team, and our employees for their commitment and hard work during this transition.

In compliance with the Revised Corporation Code, the stockholders must be informed of the total compensation received by each of the directors during the past year. Based on the report from the Chief Financial Officer, the individual compensation of the members of our Board of Directors was shown during the meeting.

In reply to the President's inquiry, the Corporate Secretary said that the Corporation did not receive any questions regarding this matter. 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, 2023, was approved as follows:

STOCKHOLDERS RESOLUTION NO. 01-2024

“**RESOLVED**, that the Management Report, as reflected in the Annual Report, together with the audited financial statements for the period ending December 31, 2023, 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 Shares Voting	8,315,059,432	0	20,800,443
% of Shares	99.75%	0.00%	0.25%

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 2023. 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. In reply to the President's inquiry, the Corporate Secretary said that the Corporation did not receive any questions regarding this matter. Upon motion duly made and seconded, the stockholders approved as follows:

STOCKHOLDERS RESOLUTION NO. 02-2024

“**RESOLVED**, that all acts, resolutions, and proceedings approved by the Board of Directors and Management from the time of the Annual Stockholders' Meeting on May 3, 2023 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 2023 are as follows:

	FOR	AGAINST	ABSTAIN
No. of Shares Voting	8,315,059,432	0	20,800,443
% of Shares	99.75%	0.00%	0.25%

VIII. RE-ELECTION OF MR. WILFRIDO E. SANCHEZ AND MS. FLORENCIA G. TARRIELA

The Corporate Secretary reported that Mr. Wilfrido E. Sanchez and Ms. Florencia G. Tarriela have both served the maximum cumulative term of 9 years as independent directors under the Code of Corporate Governance for Publicly-Listed Companies. The Code of Corporate Governance, however, allows for extension of the term on meritorious grounds.

In the meeting held on March 20, 2024, the Nomination Committee recognized the valuable contributions of Ms. Tarriela and Mr. Sanchez and endorsed their renomination as independent directors for another year.

Ms. Tarriela was a former Undersecretary of Finance and the first Filipino Vice-President of an international bank. Her professional experience is beneficial to the Company in navigating and understanding the rules of the Bangko Sentral ng Pilipinas and policies of other government financial agencies. Moreover, she is a strong advocate of good corporate governance and brings this advocacy to the Board for the latter's strict adherence.

Mr. Sanchez's professional background and work experiences are invaluable to the Company as it always seeks his opinion or advice on various tax-related matters. He advises the Board on pending proposals on tax legislation and the impact of the latest Revenue Circulars and SEC Memorandum Circulars. His timely advice helps the Company and its subsidiaries make necessary adjustments in their operations.

The re-nomination of Ms. Tarriela and Mr. Sanchez was duly approved by the Board of Directors and was proposed to be approved by the stockholders. In reply to the President's inquiry, the Corporate Secretary said that the Corporation did not receive any questions regarding this matter. Upon motion duly made and seconded, the stockholders approved as follows:

STOCKHOLDERS RESOLUTION NO. 03-2024

“**RESOLVED**, that the following be re-nominated as Independent Directors for the year 2024 to 2025:

Ms. Florencia G. Tarriela and Mr. Wilfrido E. Sanchez”

As reported by the Corporate Secretary, the votes on the motion for the re-nomination of Ms. Tarriela and Mr. Sanchez as Independent Directors are as follows:

	FOR	AGAINST	ABSTAIN
No. of Shares Voting	8,293,234,952	0	42,624,923
% of Shares	99.49%	0.00%	0.51%

IX. 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 2024 to 2025:

- Dr. Lucio C. Tan
- Carmen K. Tan
- Lucio C. Tan III
- Michael G. Tan
- Karlu T. Say
- 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

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:

- Dr. Lucio C. Tan
- Carmen K. Tan
- Lucio C. Tan III
- Michael G. Tan
- Karlu T. Say
- 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

In reply to the President's inquiry, the Corporate Secretary said that the Corporation did not receive any questions regarding this matter. Upon motion duly made and seconded, the stockholders approved as follows:

STOCKHOLDERS RESOLUTION NO. 04-2024

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

Dr. Lucio C. Tan	Juanita T. Tan Lee
Carmen K. Tan	Johnip G. Cua
Lucio C. Tan III	Mary G. Ng
Michael G. Tan	Wilfrido E. Sanchez
Karlu T. Say	Florescia G. Tarriela
Vivienne K. Tan	

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

	For	Against	Abstain
Dr. Lucio C. Tan	8,299,201,062	10,134,361	26,524,452
Ms. Carmen K. Tan	8,314,015,332	1,592,500	20,252,043
Mr. Lucio C. Tan III	8,282,771,342	10,134,361	42,954,172
Mr. Michael G. Tan	8,294,820,022	3,804,581	37,235,272
Ms. Karlu T. Say	8,294,820,022	3,804,581	37,235,272
Ms. Vivienne K. Tan	8,305,473,471	10,134,361	20,252,043
Ms. Juanita T. Tan Lee	8,285,491,223	7,414,480	42,954,172
Mr. Johnip G. Cua	8,307,198,942	9,588,561	19,072,372
Ms. Mary G. Ng	8,316,011,732	0	19,848,143
Mr. Wilfrido E. Sanchez	8,293,234,952	7,229,980	35,394,943
Ms. Florescia G. Tarriela	8,299,564,732	900,200	35,394,943

X. APPOINTMENT OF EXTERNAL AUDITOR

The Chairman of the Committee, Mr. Johnip G. Cua reported that, the Audit Committee, after careful deliberation and after evaluating the performance of the accounting firm of Sycip Gorres Velayo & Co. (SGV & Co.) for the past year, and considering the quality of its audit work, taking into account the effects of this pandemic, the competitiveness of its fees, and its reputation, the Committee endorsed to the Board its reappointment as External Auditor of the Company for the year 2024 to 2025. The appointment of SGV & Co. was approved by the Board of Directors last March 5, 2024, and is now being presented for ratification of the stockholders. In reply to the Vice Chairman's inquiry, the Corporate Secretary said that the Corporation did not receive any questions regarding this matter. Upon motion duly made and seconded, the stockholders approved as follows:

STOCKHOLDERS RESOLUTION NO. 05-2024

“**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 2024 to 2025.”

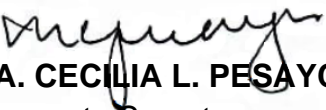
As reported by the Corporate Secretary, the votes on the motion for the reappointment of the External Auditor are as follows:

	FOR	AGAINST	ABSTAIN
No. of Shares Voting	8,315,942,532	969,400	18,947,943
% of Shares	99.76%	0.01%	0.23%

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:

DR. LUCIO C. TAN
Chairman and CEO