

MINUTES OF MEETING  
ANNUAL STOCKHOLDERS' MEETING

OF

SEMIRARA MINING AND POWER CORPORATION

July 3, 2020, 10:00 A.M.  
Conducted by Remote Communication  
Through Livestreaming

---

---

**Present:**

1. **Isidro A. Consunji**, *Chairman of the Board; Chief Executive Officer; Corporate Governance Committee, Member; and Risk Committee, Member*
2. **Rogelio M. Murga**, *Independent Director; Lead Director; Audit Committee, Member; Corporate Governance Committee, Chairman; and Risk Committee, Chairman*
3. **Honorio O. Reyes-Lao**, *Independent Director; Audit Committee, Chairman; Corporate Governance Committee, Member; and Risk Committee, Member*
4. **Antonio Jose U. Periquet, Jr.**, *Independent Director; and Audit Committee, Member*
5. **Jorge A. Consunji**, *Non-Executive Director*
6. **Herbert M. Consunji**, *Non-Executive Director; and Audit Committee, Member*
7. **Cesar A. Buenaventura**, *Non-Executive Director*
8. **Maria Cristina C. Gotianun**, *President; Chief Operating Officer; and Corporate Governance Committee, Member*
9. **Ma. Edwina C. Laperal**, *Non-Executive Director*
10. **Josefa Consuelo C. Reyes**, *Non-Executive Director*
11. **Luz Consuelo A. Consunji**, *Non-Executive Director*

**Others Present:**

1. **John R. Sadullo**, *Vice-President, Legal and Corporate Secretary*
  2. **Junalina S. Tabor**, *Vice-President & Chief Finance Officer*
  3. **Nena D. Arenas**, *Vice-President, Chief Governance Officer, and Compliance Officer*
  4. **Antonio R. Delos Santos**, *Vice-President, Treasury*
  5. **Jose Anthony T. Villanueva**, *Vice-President, Marketing for Coal*
  6. **Andreo O. Estrellado**, *Vice-President, Power Market and Commercial Operations*
  7. **Carla Cristina T. Levina**, *Vice-President, Chief Audit Executive*
  8. **Jojo L. Tandoc**, *Vice-President, Human Resources and Organizational Development*
  9. **Leandro D. Costales**, *Comptroller*
  10. **Dhonabee B. Señeres**, *Assurance Partner, SGV & Co.*
- 
- 

**1. CALL TO ORDER & PROOF OF NOTICE OF MEETING**

Isidro A. Consunji, the Chairman of the Board, presided over the meeting. He welcomed and thanked the stockholders who joined and participated the first virtual meeting of the Corporation. He also acknowledged the presence of directors joining the meeting remotely. John R. Sadullo, the Corporate Secretary of the Corporation, recorded the minutes of the proceedings.

The Corporate Secretary certified that the Definitive Information Statement (DIS) and Notice of today's meeting were posted on the Corporation's website and disclosed to the Philippine Stock Exchange through EDGE on June 1, 2020. The Notice and Agenda of the meeting were likewise published in the business section, both in print and online, of the Business World and Manila Standard on June 8 and 9, 2020 in compliance with the Notice dated April 20,

2020 of the Securities and Exchange Commission (SEC) or the “Alternative Mode for Distributing and Providing Copies of the Notice of Meeting, Information Statement, and Other Documents in connection with the holding of Annual Stockholders’ Meeting (ASM) for 2020”.

## 2. CERTIFICATION OF QUORUM

The Corporate Secretary informed the stockholders that as of May 22, 2020, the “Record Date”, the Corporation has 4,250,547,620 outstanding common shares. At least 3,374,824,955 or 79.40% of the Corporation’s outstanding capital stock have registered and is participating remotely or by proxies are present at today’s meeting. The breakdown of present stockholders in accordance with their mode of attendance and percentage of their outstanding common shares held by them are as follows:

Attendance	Number of Shares	Percentage
Stockholders Represented by Proxies	3,373,643,522	79.37%
Stockholders Successfully Registered through the Registration Portal	1,181,433	0.03%
Total	3,374,824,955	79.40%

Thus, a quorum existed for the transaction of corporate business.

Thereafter, the Chairman stated that “[w]e are conducting our Annual Stockholders’ Meeting for the first time via webcast due to government regulation restricting in-person meeting and gatherings to safeguard the health and safety of our stockholders in view of the COVID-19 Pandemic. This live webcast will allow our stockholders to participate in this meeting as if it were an in-person meeting”. He then instructed the Corporate Secretary to apprise the stockholders of the requirements and procedures for participation and voting *in absentia* of the meeting.

The Corporate Secretary informed the stockholders’ that the Board of Directors at its meeting on May 8, 2020 adopted the requirement and procedure for electronic voting *in absentia* and participation by remote communication for this meeting embodied in the DIS. The following are the highlights:

1. Stockholders who successfully registered to attend and participate in this meeting may send their questions to [corporatesecretary@semirarampc.com](mailto:corporatesecretary@semirarampc.com). Questions will be addressed after other matters in the Agenda while others will be replied to via email.
2. Voting is allowed only for Stockholders who were able to register in the voting *in absentia* and through the Chairman of the Board as proxy. The voting portal shall remain open until 5:00 p.m. of today’s meeting.
3. Each of the proposed resolutions for adoption and approval by the stockholders shall be shown during the course of the meeting.
4. Except for the election of Directors, all items in the Agenda for approval requires an affirmative vote of stockholders representing at least majority of the outstanding voting stock present at the meeting.
5. Sycip Gorres Velayo & Co. (SGV) and the Corporate Secretary are designated as the Board of Canvassers to tabulate and validate the votes received. The results shall be reported by the Corporate Secretary during the course of the meeting.

Before proceeding, the Corporate Secretary stated that since the Voting Portal shall remain open until 5:00 p.m. at today’s meeting, the votes reported for each agenda item during the proceeding shall be partial and unofficial as of July 2, 2020. The final and official result of the votes as tabulated by the Board of Canvassers shall be reflected in the stockholders’ minutes of meeting.

Moreover, at the stockholders' meeting held last May 6, 2019, all matters requiring approval by the stockholders were voted upon through poll balloting after all items have been discussed and the proper motion for its approval duly made and seconded. Stockholders who were ready to vote may do so by depositing their votes in the ballot box provided.

The counting and validation of votes shall be supervised by the Board of Canvassers appointed by the Board of Directors of the Corporation, which are composed of the Corporate Secretary and SGV, the latter as the independent body designated to count and validate the votes cast by the stockholders at today's meeting.

### **3. CHAIRMAN'S MESSAGE**

The Chairman shared his message to the stockholders, as follows:

*Good morning, everyone.*

*On behalf of the Board and Management of Semirara Mining and Power Corporation, I would like to welcome you to our first virtual stockholders meeting. Thank you for finding the time to join us.*

*This is obviously not the setting we are used to, but the continuing threat of COVID-19 requires us to hold this event online.*

*When the enhanced community quarantine or ECQ was imposed in March, I was hoping that by the time we hold this meeting, I would have better news for you.*

*Unfortunately, even now when containment measures are gradually being lifted, there is no indication that the worst is behind us.*

*There is broad consensus that the Philippine economy—like the global economy—is heading to a deep recession in 2020.*

*Foreign experts are projecting a contraction of around 2 percent, while the Philippine government hopes to keep GDP between negative 2 percent and negative 3.4 percent.*

*To give these figures some context, our last recession was in 1998 when GDP dropped to negative 0.6 percent because of the Asian Financial Crisis and severe El Niño.*

*Our worst recession on record was in 1984 and 1985 when GDP dropped to negative 7.3 percent due to political uncertainty, massive foreign debt and extremely tight monetary policies.*

*This time around, our government is in a better position to support our economy.*

*Using a combination of fiscal and monetary measures and a multi-pronged economic recovery plan, they expect GDP growth in 2021 to hit anywhere between 7 and 8 percent.*

*So far, these scenarios tell us that while 2020 will be very difficult, we can anticipate a strong rebound the following year.*

*But, of course, we cannot discount the possibility of a second wave of infections, which could derail economic recovery efforts.*

*The challenge, therefore, is to keep our employees and finances healthy while we weather this pandemic-induced economic downturn.*

*Against this backdrop, I would like to discuss where our Company stands and how we intend to navigate our way forward.*

*Later, our president, Maria Cristina Gotianun, will discuss our 2019 results and response to COVID-19.*

*Our operations have been largely unaffected by the lockdown because of the essential nature of our business. However, like most companies, we are susceptible to weak demand and lower market prices.*

*While this puts some strain on our liquidity, we are fortunate to remain cashflow positive.*

*Barring any unforeseen circumstances, I am confident that we can meet our obligations to our shareholders, creditors and other stakeholders.*

*At the start of the ECQ, we proceeded with paying out 5.3 billion pesos in cash dividends to our shareholders. This is beyond our Company's cash dividend policy of at least 20 percent of the prior year's audited net income at the parent level.*

*Based on our current cashflow, I believe we can meet our minimum dividend obligation to our shareholders next year.*

*However, it will take some time before we can return to the profit and dividend levels that we are used to, given the prevailing conditions and continuing risks presented by COVID-19.*

*As of March 31, we have 5 billion pesos in short-term loans and 16 billion pesos in long-term debt, which we intend to pare down this year using internally generated cash.*

*Since the bulk of our major capital expenditures is behind us, we can keep our spending to a minimum without sacrificing our operational integrity and business sustainability.*

*But if the pandemic and economy worsen, we can rely on our unused credit lines to tide us over.*

*Consistent with our disciplined and prudent approach to managing our Company, we are rescheduling 3.7 billion pesos worth of capex to 2021.*

*We will also defer hiring for non-core positions, reduce non-essential business expenses and dispose of non-core assets.*

*Implementing these measures will allow us to preserve and generate cash, which we intend to use to meet our stakeholder obligations.*

*Ladies and gentlemen,*

*Our Company faces unprecedented disruption and difficulties because of the COVID-19 pandemic. 2020 will also present a more challenging business environment because of historically lower coal and energy prices.*

*But we can get through this together. Our Company is well prepared for the challenges ahead. And while we have additional credit lines, we hope that there will be no need for us to use it.*

*To end my presentation, let me convey my sincere appreciation to the Semirara Board and Management for their dedicated service.*

*I would also like to extend my deepest gratitude to our shareholders, creditors, suppliers, business partners, regulators, host communities and LGUs, and other stakeholders for their continuing trust and support.*

*But most of all, let me commend our employees who have kept our businesses going despite the threats, uncertainty and difficulties caused by the coronavirus pandemic.*

*Again, thank you for joining this virtual meeting, and I look forward to seeing you in person in 2021. In the meantime, please stay safe and healthy.*

#### **4. APPROVAL OF MINUTES OF PREVIOUS MEETING OF STOCKHOLDERS**

The Chairman proceeded with item 4 of the Agenda on the approval of the minutes of the previous meeting of stockholders held on May 6, 2019, electronic copies having been posted and are available at the Corporation's website. The affirmative votes cast as validated by the Board of Canvassers showed the following results:

<b>Opinion</b>	<b>Vote Cast (one vote per share)</b>	<b>Percentage of Shares represented at ASM</b>
For	3,374,517,355	99.99%
Against	0	0.00%
Abstain	0	0.00%

Based on the foregoing results, the stockholders unanimously approved, confirmed and ratified, and the following resolution was adopted:

#### **Stockholders' Resolution**

**“RESOLVED**, that the stockholders of **Semirara Mining and Power Corporation** (the “Corporation”) with an affirmative vote of at least 3,374,517,355 or 99.99% of today's quorum approve, confirm and ratify, as they do hereby, the Minutes of Annual Stockholders' Meeting held on May 6, 2019.”

#### **5. MANAGEMENT REPORT FOR THE FISCAL YEAR 2019**

Thereafter, the Chairman informed the stockholders that Maria Cristina C. Gotianun, President and Chief Operating Officer of the Corporation, will render the Management Report, as follows:

*Fellow shareholders, members of the Board, ladies and gentlemen, good morning. Welcome to the first virtual stockholders' meeting of Semirara Mining and Power Corporation.*

*We are unable to meet in person this year because of the coronavirus pandemic, but I hope you and your family are safe and coping well.*

*Like the rest of the world, our Company faces unprecedented challenges from COVID-19. My report this morning will focus on how we are responding and adapting to the effects of this virus.*

*But first, let me give a brief summary of our 2019 performance.*

*Our net income after tax dropped 20 percent to 9.7 billion pesos, primarily due to the scheduled shutdown and rehabilitation of our 2x300 megawatt power plant under Sem-Calaca Power Corporation or SCPC.*

*Coal contributed 6.2 billion pesos, a 5-percent increase from last year. Although coal sales grew 35 percent to 15.6 million tons, the 22-percent decline in coal prices curbed the profitability of our coal business.*

*Earnings contribution from the power segment dropped 55 percent to 3.4 billion pesos.*

*SCPC recorded a net loss of 55 million pesos compared to a net profit of 4.5 billion pesos in 2018. Minimal power generation, higher replacement power costs and the accelerated depreciation of its power plants accounted for the downturn.*

*Southwest Luzon Power Generation Corporation more than doubled its earnings contribution to 3.5 billion pesos due to higher electricity spot market prices and an all-time high output of 2,070 gigawatt-hours.*

*In 2019, we accomplished the fastest large-scale mine rehabilitation initiative in the Philippines.*

*Together with the Department of Energy, we completed in 21 months the 2.9-billion peso South Panian mine rehabilitation program in Semirara Island.*

*We also completed our 10-billion peso life extension program under SCPC.*

*Unit 1 resumed commercial operations in September 2019 while commissioning of Unit 2 was completed last May.*

*At the start of the year, we expected tight electricity supply and favorable spot market prices to drive our bottom-line results. We also anticipated low but stable demand for Semirara coal.*

*However, the outbreak of COVID-19 and the containment measures imposed in China and Luzon drastically reduced coal and electricity consumption, driving down market prices.*

*In an instant, we had to shift gears and restructure our priorities. Growth became secondary to keeping our workforce healthy.*

*When the enhanced community quarantine or ECQ was enforced in Luzon, we did what we could to address the safety and basic needs of our employees.*

*We released over 350 million pesos worth of salaries and pro-rated 13th month pay to our employees from March 15 to May 31.*

*Our non-essential employees worked from home, and those who were unable to do so continued to receive their salaries.*

*We operated our mine site and power plants using a skeletal workforce, and in accordance with our strict COVID-19 protocols.*

*To ensure work continuity, our power plant personnel agreed to live on-site, where they received free accommodations, meals and vitamins.*

*We shouldered the COVID-19 tests of our employees, as prescribed by our host local government units.*

*We also set up multiple quarantine facilities in Semirara Island, which could accommodate up to 399 patients.*

*In response to our country's transition to general community quarantine, we stepped up our COVID-19 protocols in the workplace.*

*Aside from daily health monitoring, frequent disinfection, strict physical distancing and mandatory PPEs, we modified work stations, issued additional employee laptops and introduced alternative work arrangements.*

*We also adopted virtual collaboration tools for meetings and events.*

*We have no way of determining how long this pandemic will last, but we would like to assure you that our Company is well-positioned to weather this crisis.*

*As discussed by our chairman and CEO, we have a healthy balance sheet and a wide range of measures to safeguard the long-term viability of our Company.*

*In closing, allow me to thank our Board of Directors for their strategic guidance and cooperation. I would also like to express my gratitude to our shareholders, government partners, valued customers and host communities for their trust and support.*

*Most of all, I would like to commend our employees, especially those who reported for work while most of us quarantined at home. Your courage, dedication and personal sacrifices are much appreciated.*

*Ladies and gentlemen,*

*2020 will be a very difficult year for all of us.*

*But we have laid a strong foundation, and with your steadfast cooperation, we can emerge from this pandemic even stronger.*

*Thank you and please keep safe. I hope to see you face-to-face next year.*

The affirmative votes cast as validated by the Board of Canvassers showed the following results:

<b>Opinion</b>	<b>Vote Cast (one vote per share)</b>	<b>Percentage of Shares represented at ASM</b>
For	3,373,988,155	99.98%
Against	0	0.00%
Abstain	529,200	0.02%

Based on the foregoing results, the stockholders unanimously approved, confirmed and ratified, and the following resolution was adopted:

### **Stockholders' Resolution**

**“RESOLVED**, that the stockholders of **Semirara Mining and Power Corporation** (the “Corporation”) with an affirmative vote of at least 3,373,988,155 or 99.98% of today’s quorum approve, confirm and ratify, as they do hereby, the Management Report for the fiscal year 2019, as presented by the President and Chief Operating Officer, Maria Cristina C. Gotianun of the Corporation.”

#### **6. AUDITED FINANCIAL STATEMENTS FOR 2019**

The next order of business is the approval of the Audited Financial Statements for the year ending December 31, 2019, electronic copies of which have been posted as part of the DIS and is available at the Corporation’s website.

The affirmative votes cast as validated by the Board of Canvassers showed the following results:

<b>Opinion</b>	<b>Vote Cast (one vote per share)</b>	<b>Percentage of Shares represented at ASM</b>
For	3,373,988,155	99.98%
Against	0	0.00%
Abstain	29,200	0.00%

Based on the foregoing results, the stockholders unanimously approved, confirmed and ratified, and the following resolution was adopted:

### **Stockholders' Resolution**

**“RESOLVED**, that the stockholders of **Semirara Mining and Power Corporation** (the “Corporation”) with an affirmative vote of at least 3,373,988,155 or 99.98% of today’s quorum approve, confirm and ratify, as they do hereby, the Audited Financial Statements for the year ended December 31, 2019.”

#### **7. RATIFICATION OF THE ACTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS AND VARIOUS COMMITTEES**

The meeting then proceeded to the next item of the agenda on the ratification of the acts of the Board of Directors and various committees of the Corporation exercising powers delegated by the Board as adopted from the last annual meeting on May 6, 2019 and up to the date of this meeting. These acts and resolutions are reflected in the minutes of meeting of the Board of Directors and of the Board Committees, including election of officers and committee membership, corporate governance policies, all matters covered by disclosures to the SEC and the Philippine Stock Exchange (PSE).

Ratification is also sought for all acts of the Management and its Officers in relation to all acts performed in accordance with the resolutions of the Board, various Board Committees, By-Laws and as part of the Corporation’s general conduct of business from May 6, 2019 up to the date of this meeting.

The affirmative votes cast as validated by the Board of Canvassers showed the following results:

<b>Opinion</b>	<b>Vote Cast (one vote per share)</b>	<b>Percentage of Shares represented at ASM</b>
For	3,373,601,555	99.96%
Against	0	0.00%
Abstain	915,800	0.03%

Based on the foregoing results, the stockholders unanimously approved, confirmed and ratified, and the following resolution was adopted:

**Stockholders’ Resolution**

“**RESOLVED**, as it is hereby resolved, that the stockholders of **Semirara Mining and Power Corporation** (the “Corporation”) representing at least 3,373,601,555 or 99.96% of today’s quorum approve, confirm and ratify, as they do hereby, all acts, decisions and resolutions of the Board of Directors, various Board Committees, and all acts of Management made and undertaken since May 6, 2019 and until the date of this meeting, as these are reflected in the books and records of the Corporation.”

**8. ELECTION OF DIRECTORS FOR THE YEAR 2020-2021**

The next item of the agenda is the election of directors for the year 2020-2021. The Secretary apprised the stockholders of the mechanics on the election of directors. He explained that pursuant to Article I, Section 5 of the Amended By-laws of the Corporation, at all meetings of stockholders for the election of the members of the Board of Directors, cumulative voting is allowed and each stockholder may distribute his votes in accordance with the applicable law.

Section 23 of the Revised Corporation Code of the Philippines provides that a stockholder entitled to vote shall have the right to vote the number of shares of stock standing in their own names in the stock books of the corporation at the time fixed by the bylaws, or where the bylaws are silent, at the time of the election. The said stockholder may: (a) vote such number of shares for as many persons as there are directors to be elected; (b) cumulate said shares and give one (1) candidate as many votes as the number of directors to be elected multiplied by the number of shares owned; or (c) distribute them on the same principle among as many candidates as may be seen fit: *Provided*, That the total number of votes cast shall not exceed the number of shares owned by the stockholders as shown in the books of the corporation multiplied by the whole number of directors to be elected: *Provided, however*, That no delinquent stock shall be voted.

The quorum required in the election of the members of the Board of Directors is a majority of the outstanding capital stock entitled to vote. The eleven (11) nominees obtaining the highest number of votes in accordance with Section 23 shall be proclaimed directors.

Moreover, being a publicly-listed company, the Corporation is required under SEC regulations and the Corporation’s Manual on Corporate Governance to have at least two (2) independent directors, being twenty (20%) of the seats of the Board. Rogelio M. Murga, Honorio O. Reyes-Lao and Antonio Jose U. Periquet, Jr. have been nominated by Antonio C. Olizon, a stockholder of the Corporation, to serve as independent directors of the Corporation. The Corporate Governance Committee has passed upon the qualifications of the nominees in accordance with the Corporation’s By-Laws, Manual on Corporate Governance, SEC’s Guidelines on the Nomination and Election of Independent Directors, and the term limit requirement pursuant to SEC Memorandum Circular No. 9, Series of 2011. The nominees for Independent Directors were nominated to the Board due to their outstanding business and financial acumen which provided invaluable contribution to the Corporation’s strategy.

The Corporation's Lead Independent Director and Chairman of the Corporate Governance Committee and Risk Committee, Rogelio M. Murga, further informed the stockholders that in accordance with the By-Laws of the Corporation, its Manual on Corporate Governance, the SEC rules, the names of the following nominees were submitted to the Corporate Governance Committee, and each one has accepted and given their consent to their respective nomination. The nominees are:

**Regular Directors:**

1. Isidro A. Consunji
2. Jorge A. Consunji
3. Cesar A. Buenaventura
4. Herbert M. Consunji
5. Maria Cristina C. Gotianun
6. Ma. Edwina C. Laperal
7. Josefa Consuelo C. Reyes
8. Luz Consuelo A. Consunji

**Independent Directors:**

9. Rogelio M. Murga
10. Honorio O. Reyes-Lao
11. Antonio Jose U. Periquet, Jr.

The nomination closed on March 9, 2020. Thereafter, the Corporate Governance Committee, in the exercise of its duties, determined that the eleven (11) nominees are qualified to serve as directors of the Corporation as they possess the qualifications, skills and experience appropriately aligned to the Corporation's strategy.

The following nominees were elected as directors for a period of one (1) year and to serve as such until their successors shall have been duly elected and qualified. The affirmative votes cast as validated by the Board of Canvassers showed the following results:

Director	Votes Cast and Percentage of Shares represented at ASM		
	For	Against	Abstain
1. Isidro A. Consunji	3,337,085,420 (98.88%)	35,897,895 (1.06%)	1,534,040 (0.05%)
2. Jorge A. Consunji	3,234,975,248 (95.86%)	2,753,590 (0.08%)	136,788,517 (4.06%)
3. Cesar A. Buenaventura	3,171,093,658 (93.96%)	35,897,895 (1.06%)	167,525,802 (4.96%)
4. Herbert M. Consunji	3,234,471,748 (95.84%)	3,257,090 (0.10%)	136,788,517 (4.05%)
5. Maria Cristina C. Gotianun	3,228,405,712 (95.66%)	10,229,466 (0.30%)	135,882,177 (4.03%)
6. Ma. Edwina C. Laperal	3,234,975,248 (95.86%)	2,753,590 (0.08%)	136,788,517 (4.06%)
7. Josefa Consuelo C. Reyes	3,234,975,248 (95.86%)	2,753,590 (0.08%)	136,788,517 (4.06%)
8. Luz Consuelo A. Consunji	3,234,975,248 (95.86%)	2,753,590 (0.08%)	136,788,517 (4.06%)
9. Rogelio M. Murga (Independent)	3,368,971,179 (99.83%)	5,546,176 (0.16%)	0 (0.00%)
10. Honorio O. Reyes-Lao (Independent)	3,373,120,055 (99.95%)	0 (0.00%)	1,397,300 (0.04%)
11. Antonio Jose U. Periquet, Jr. (Independent)	3,281,327,733 (97.23%)	35,897,895 (1.06%)	57,291,727 (1.70%)

## 9. APPOINTMENT OF INDEPENDENT EXTERNAL AUDITOR

The last item of the agenda is the appointment of external auditors of the Corporation for the current fiscal year. The Chairman of the Audit Committee, Honorio O. Reyes-Lao informed the stockholders that the Committee recommended SyCip Gorres Velayo & Co., and the Board of Directors at its meeting held on February 28, 2020 approved and endorsed the appointment of SGV as the Corporation's Independent External Auditor for current fiscal year 2020.

The affirmative votes cast as validated by the Board of Canvassers showed the following results:

<b>Opinion</b>	<b>Vote Cast (one vote per share)</b>	<b>Percentage of Shares represented at ASM</b>
For	3,374,517,355	99.99%
Against	0	0.00%
Abstain	0	0.00%

Based on the foregoing results, the stockholders unanimously approved, confirmed and ratified, and the following resolution was adopted:

### Stockholders' Resolution

**“RESOLVED**, as it is hereby resolved, that the stockholders of **Semirara Mining and Power Corporation** (the “Company”) representing at least 3,374,517,355 or 99.99% of today's quorum approve, confirm and ratify, as they do hereby, the appointment of **SyCip Gorres Velayo & Co.** as the independent external auditors of the Corporation for the current fiscal year 2020.”

## 10. OTHER MATTERS

There are no other matters that require consideration by the stockholders.

Thereafter, the Chairman asked the Corporate Secretary if there were questions or clarifications from the stockholders. The Corporate Secretary responded that questions were raised by Marvin B. Obordo, an Investment Analyst of F. Yap Securities, which were received through electronic mail, as follows, and which were answered by the Chairman during the livestreaming:

**Question No. 1:** *What is now the status of SCPC unit 2 rehab? If rehab still ongoing, when is the estimated date of completion?*

Answer: The commissioning of Unit 2 was completed during the 1<sup>st</sup> week of May 2020 and is now running at 300MW.

**Question No. 2:** *What is your outlook on coal price this year and how will this affect bottom line?*

Answer: We don't see significant movement in coal prices until the end of the year. Market is highly dependent on economic recovery after the COVID-19 pandemic. The Philippine GDP target is negative for 2020. There is expectation that recovery next year is forthcoming given the economic recovery plan, but this remains to be seen. Given the market situation today and in the immediate future, which is highly unpredictable, we don't see the company performing better in financial terms.

**Question No. 3:** *How would covid-19 impact both your operations and bottom line for this year?*

Answer: Our operations have been largely unaffected by the lockdown because of the essential nature of our business. However, like most companies, we are susceptible to weak demand and lower market prices.

Since SMPC is fortunate that it is engaged in an essential industry (energy related), we are managing our operations to keep us going and strategize our operations to hit positive contribution margins to be able to meet cash fixed cost, obligation to creditors, and dues to the government. We believe that with our cash position at the start of the year, and despite the cash dividend paid last March 2020, the Company can keep afloat in this challenging times. Though cashflows are tight, we believe we can manage. In case extremely needed, we have more than enough credit lines which we can tap.

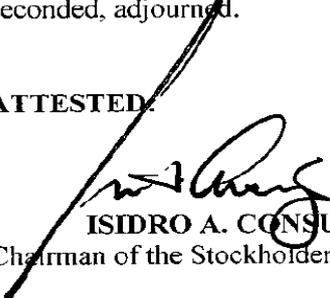
**Question No. 4:** *Will there be a special dividend to be declared later this year?*

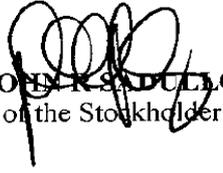
Answer: It is prudent for the company under this challenging situation to conserve cash. With the current cashflow position, we believe that the Company will be able to meet the minimum cash dividend obligation to shareholders.

## 11. ADJOURNMENT

There being no other matters to be taken, the same was, upon motion made and duly seconded, adjourned.

ATTESTED:

  
**ISIDRO A. CONSUNJI**  
Chairman of the Stockholders' Meeting

  
**JOHN R. SANDOVAL**  
Secretary of the Stockholders' Meeting