



## Minutes of the Special Stockholders' Meeting

*Held on 26 February 2021 in Cebu City via Zoom Video Conferencing*

### I. CALL TO ORDER

*The Chairman called the meeting to order at 10:03 AM.*

### II. CERTIFICATION OF NOTICE AND QUORUM

*The Corporate Secretary certified that as of record date for the special stockholders' meeting, CLI had a total of 17 stockholders owning or holding a total of 1,554,999,600 shares of stock. Of this number, 10 stockholders represented by 16 proxies, holding 76.86% of the total outstanding shares of stock, were present remotely via Zoom, the videoconferencing platform used for the meeting. As such, the Corporate Secretary certified that the meeting had quorum to proceed and transact business.*

*The Corporate Secretary also certified that prior notice to stockholders was published in the Philippine Daily Inquirer issue of January 27, 2021 as well as The Freeman and SunStar Daily Cebu issues of February 23, 2021, and that all materials for the special meeting were made available at CLI's website in compliance with Securities and Exchange Commission issuances, particularly Memorandum Circular No. 6, Series of 2020, which governs the conduct of stockholders' meeting held remotely via tele- and video-conference.*

### III. APPROVAL OF PREVIOUS MINUTES

*Upon the suggestion of the Chairman, the stockholders decided to defer and skip the approval of the minutes of last year's annual stockholders' meeting, which can be taken up instead at the annual stockholders' meeting set in May 2021, in order to proceed at once to the new business matters at hand.*

### IV. NEW BUSINESS

#### A. *Rationale of the Proposed Increase of CLI's Authorized Capital Stock and Declaration of Stock Dividends*

*Upon the request of the Chairman, Chief Financial Officer Beauregard Grant L. Cheng then proceeded to expound on the need and rationale for CLI to increase its authorized capital stock and the declaration of stock dividends as the mode for satisfying the subscription and paid-up requirements for the increase of authorized capital stock as well as their distribution to the stockholders.*

#### B. *Approval of the Increase in Authorized Capital Stock to be paid via Stock Dividends*

*Upon motion made and duly seconded, the stockholders representing at least two-thirds (2/3) of the outstanding capital stock voted overwhelmingly to approve the increase of CLI's authorized capital stock, the declaration of stock dividends, and the appointment of the President, the Treasurer and the Corporate Secretary to process these measures before the Securities and Exchange Commissions based on the following resolutions:*

1. *RESOLVE that the shareholders ratify the decision of the Board during its meeting on 24 November 2020 to: (1) increase in the authorized capital stock (“ACS”) of the Corporation from Php 2,500,000,000.00 divided into (a) Two Billion Four Hundred Million (2,400,000,000) common shares with a par value of One Peso (Php 1.00) per share; and (b) One Billion (1,000,000,000) voting preferred shares with a par value of Ten Centavo (Php0.10) per share, to Ten Billion One Hundred Million Pesos (Php 10,100,000,000.00), Philippine Currency, divided into (a) Ten Billion (10,000,000,000) common shares with a par value of One Peso (Php 1.00) per share; and (b) One Billion (1,000,000,000) voting preferred shares with a par value of Ten Centavo (Php0.10) per share; and (2) to amend for this purpose Article SEVENTH of the Amended Articles of Incorporation to reflect the increase in ACS;*
  
2. *RESOLVE, as it is hereby resolved, that the shareholders authorize the President, the Treasurer, the Corporate Secretary and their respective assistants and/or duly appointed substitutes or attorneys-in-fact to file the necessary documents to accomplish the increase of the ACS and the amendment of the Articles of Incorporation; and*
  
3. *Resolve, as it is hereby resolved, that the shareholders approve the declaration of stock dividends of at least 1,900,000,000 or such number of common shares as sufficient to pay the required subscription for the increase in the authorized capital stock and as necessary to avoid fractional shares, to be issued and paid for out of the unrestricted retained earnings of the Corporation as of 30 September 2020, which shall be sourced from the increase in authorized capital stock of the Corporation, to be issued to stockholders of record as of the record date fixed and approved by the Securities and Exchange Commission, and to be paid on such payment date as shall be fixed by the Board of Directors after the determination of the record date.*

*Below are the summaries of the stockholders’ votes for each of the three resolutions:*

**VOTES CAST:**

**RESOLUTION NO. 1**  
INCREASE THE AUTHORIZED  
CAPITAL STOCK OF CLI



**RESOLUTION NO. 2**  
APPOINT ATTORNEYS-IN-FACT  
TO PROCESS ACS INCREASE



**RESOLUTION NO. 3**  
DECLARE STOCK DIVIDENDS  
TO SATISFY PAID-UP  
REQUIREMENT



**V. OTHER MATTERS**

*Upon the Chairman’s inquiry, none of the shareholders or their proxies present raised any other matters for discussion.*

**VI. ADJOURNMENT**

*On motion made and duly seconded, the Chairman adjourned the meeting at 10:50 AM.*