

**MINUTES OF THE SPECIAL MEETING OF STOCKHOLDERS**  
**OF**  
**CEMEX HOLDINGS PHILIPPINES, INC.**  
(the “Corporation”)

Held at the Mayuree II Grand Ballroom,  
DUSIT THANI MANILA, Ayala Centre, Makati City, Philippines  
on 16 October 2019 at 10:00AM

**DIRECTORS PRESENT:**

1. Eleanor M. **Hilado** – Independent Director
2. Pedro **Roxas** – Independent Director
3. Ignacio Alejandro **Mijares** Elizondo - President and Chief Executive Officer
4. Alejandro **Garcia** Cogollos – Director
5. Larry Jose **Zea** Betancourt – Director

**ALSO PRESENT:**

Jannette Virata Sevilla – Corporate Secretary

**INTRODUCTION**

*[The proceedings formally started after the hotel representative advised the attendees of the hotel safety rules.]*

Mr. Chito Maniago, the Corporate Communications & Public Affairs Director of the Corporation, acted as host of the proceedings. Following the National Anthem, he introduced to the stockholders the members of the Board of Directors who were present. Mr. Maniago clarified that Mr. Estrada (the Chairman of the Board of Directors) and Mr. Sanchez were unable to travel to the Philippines for this meeting and that Mr. Panlilio could not be present due to unavoidable circumstances.

Mr. Maniago also introduced the other principal executive officers of the Corporation who were present:

1. *Steve Wu - Treasurer & Chief Financial Officer and BSO Director*
2. *Roberto Martin Z. Javier - Vice President for Commercial (Institutional Segment)*
3. *Everardo Sanchez - Vice President for Commercial (Distribution Segment)*
4. *Pierre Ignatius C. Co - Investor Relations Director*
5. *Adrian V. Bancoro - Tax Director*
6. *Rolando Valentino - Internal Auditor*
7. *Jose Mauro Gallardo - Enterprise Risk Management (ERM) Manager*
8. *Dino Martin W. Segundo – Legal Director and Assistant Corporate Secretary*
9. *Jannette Virata Sevilla – Corporate Secretary & Compliance Officer*

Mr. Maniago also acknowledged the presence of representatives of the external auditor of the company, R.G. Manabat & Co.

**1. CALL TO ORDER**

In accordance with the Amended By-Laws of the Corporation, the President of the Corporation, Mr. Ignacio Mijares, presided over the meeting, acted as chairman of the meeting (the “Chairman”) and called the meeting to order.

The *Chairman* then gave his welcome remarks:

Fellow shareholders, our Board of Directors, management and staff, colleagues, good morning. I am Ignacio Mijares, President & CEO of Cemex Holdings Philippines, Inc. Thank you all for joining us in this Special Meeting of Stockholders. We appreciate your time and interest in the Corporation, as shown by your attendance here today.

Today, we shall be elevating for shareholder approval the proposal to increase the company’s authorized capital stock, from 5.2 billion shares to 18.3 billion shares, through an amendment in the company’s Articles of Incorporation. This is in line with our commitment towards nation-building and supporting the current administration’s “Build, Build, Build” infrastructure program, as we construct a new

1.5 million ton per year cement production line to expand our Solid Cement Plant facility in Antipolo, Rizal.

As of the end of the second quarter this year, our main project contractor had already commenced various civil works for the new line, including site preparation activities, and the construction of ancillary services. I will be providing further update on the Solid Cement expansion project, along with our third quarter operating and financial results, during our third quarter conference call and webcast next week, Friday, October 25.

On behalf of the Board of Directors, our management team, and our employees, we thank you for the opportunity you give us and for your confidence in CEMEX Holdings Philippines, as we continue our efforts to build a better future for all of our stakeholders.

Thank you and a pleasant good morning to all.

After his welcome remarks, the *Chairman* requested the Corporate Secretary to report on the service of notice and existence of quorum for the meeting.

## **2. CERTIFICATION OF NOTICE AND QUORUM**

The Corporate Secretary reiterated that the Board of Directors fixed September 26, 2019 as the record date for determining stockholders entitled to attend and vote at this special meeting of stockholders and she certified that notices of this special meeting of stockholders (together with proxy forms and the Definitive Information Statement) were duly delivered to the stockholders of record.

As of the record date, the total outstanding shares of capital stock of the Corporation consisted of 5,195,395,454 common shares. The Corporate Secretary further certified that based on the preliminary results of the meeting's registration process obtained prior to the start of the meeting, there were present/represented in the meeting, in person or by proxy, stockholders holding a total of 3,732,282,904<sup>1</sup> common shares which correspond to approximately 71.84% of the total outstanding shares of capital stock of the Corporation, and that there was a quorum to transact business in the meeting.

The Corporate Secretary also informed the stockholders that the Corporation engaged the services of the accounting firm of R.G. Manabat & Co to verify, canvass and validate the voting during today's annual stockholders' meeting.

Based on the certification by the Corporate Secretary on the delivery of notice of meeting and the existence of the quorum and in the absence of an objection, the *Chairman* declared the meeting duly convened and open for business.

Further to the request of the *Chairman*, the Corporate Secretary elaborated on voting and meeting guidelines to be observed during the meeting:

1. For the matters to be presented for stockholder's approval, each share entitles the registered owner (or his representative) to one vote.
2. For Item 3 of the Agenda (Amendment of the Seventh Article of the Amended Articles of Incorporation to increase the authorized capital stock), the affirmative vote of stockholders holding at least 2/3 of the total outstanding shares of stock (at least 3,463,596,970 shares) is required in order to approve the proposed amendment.
3. The Corporate Secretary stated that copies of the ballot were distributed to stockholders during the registration process for the meeting. She also noted that some stockholders had provided to the Corporation their accomplished proxies with votes prior to the meeting.
4. The accomplished proxies and ballots reflecting stockholders' votes on each of the items in the agenda were endorsed for counting and tabulation by R.G. Manabat &

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<sup>1</sup> The final results of the meeting's registration process show that stockholders holding a total of 3,732,324,905 common shares which correspond to approximately 71.84% of the total outstanding shares of capital stock of the Corporation were present/represented in the meeting.

Co. The Corporate Secretary mentioned that as the agenda item is taken up, the votes received and tabulated preliminarily prior to the start of the meeting will be noted; however, the minutes of the meeting will reflect the final tally of votes received.

5. Only shareholders as of the record date or their representatives holding duly executed proxies shall be allowed to vote and speak in today's meeting. The Corporate Secretary requested shareholders who wish to take the floor to proceed to where the microphones are situated and wait to be acknowledged by the *Chairman* of the meeting before speaking. As soon as acknowledged, the stockholder must introduce himself/herself and inform the body of the number of shares held or represented.

The Corporate Secretary requested that concerns be raised by way of a question so that these can be properly addressed. She cautioned however that questions from the floor should pertain to the specific item in the agenda or proposal being discussed, and that questions which are not relevant to the agenda shall be considered "out of order". She likewise assured the stockholders that in case due to time constraints there are questions which could not be entertained on the floor, the Investor Relations group will be available for consultation after the meeting.

Finally, the Corporate Secretary reminded the attendees to observe proper decorum and due courtesy during the meeting.

### **3. AMENDMENT OF SEVENTH ARTICLE OF THE AMENDED ARTICLES OF INCORPORATION OF THE CORPORATION IN ORDER TO INCREASE THE AUTHORIZED CAPITAL STOCK OF THE CORPORATION**

The *Chairman* proceeded to the next order of business which was the amendment of the Amended Articles of Incorporation of the Corporation for the purpose of increasing the authorized capital stock of the Corporation from ₱5,195,395,454.00 divided into 5,195,395,454 common shares with a par value of One Peso per share to ₱18,310,395,454.00 divided into 18,310,395,454 common shares with a par value of One Peso per share.

The *Chairman* re-confirmed that the Corporation is potentially looking to raise an amount of up to US\$250 million which would allow the Corporation to improve its capital structure, fund the ongoing Solid Cement plant expansion and provide balance sheet flexibility. He stated that since the Corporation is currently operating at already high utilization levels, the Solid Cement plant expansion is especially critical in allowing the Corporation to maintain its market position and continue to benefit from the Philippines' long- term favorable demand outlook. The expectation is that the new line of the Solid Cement plant expansion will start operations in the second quarter of 2021. He explained that the proposed authorized capital stock increase will pave the way for a capital raising exercise in the form of a *Rights Offering*, the determination of the final terms and conditions of which (including the type, size, price and terms) has been delegated by the Board of Directors to certain members of senior management. He clarified that the issue price of the Rights Offering will be decided based on various factors including the trading price at the time of the announcement and the broader equity capital market conditions.

For the convenience of the stockholders, the Corporate Secretary read out loud the proposed corporate resolutions for the subject matter:

"RESOLVED, that Article VII of the Amended Articles of Incorporation of the Corporation be as it is hereby amended to read as follows:

'SEVENTH: That the authorized capital stock of the Corporation is Eighteen Billion Three Hundred Ten Million Three Hundred Ninety Five Thousand Four Hundred Fifty Four Pesos (Php 18,310,395,454.00) in lawful money of the Philippines, divided into Eighteen Billion Three Hundred Ten Million Three Hundred Ninety Five Thousand Four Hundred Fifty Four (18,310,395,454) common shares with par value of One Peso (Php 1.00) per share. x x x'

"RESOLVED FURTHER, that the Corporation be, and it is hereby authorized to file an application with the Securities and Exchange Commission for the approval of the foregoing amendment to the Amended Articles of Incorporation of the Corporation."

A stockholder requested to be recognized on the floor and asked several questions. Firstly, he asked if the rights offering would be made available to all shareholders or to only a selected group of shareholders. The *Chairman* answered that the equity rights offering will be made available to all

shareholders and that the process will be conducted in a fair, transparent and equitable manner which will allow all shareholders an opportunity to participate. Next, the gentleman raised the concern that the rights offering would result in a dilution of non-participating shareholders and he asked whether or not assurance can be given that the offer price would not be below book value. The *Chairman* clarified that he was not able to comment on the price or other details of the rights offering transaction at this time, but assured that the same would be provided to the stockholders at the proper time. The *Chairman* also reaffirmed the Board of Directors' view that the equity rights offering was the most attractive and feasible alternative available to the Corporation in order to, among others, improve its capital structure and fund the Solid Cement plant expansion.

For his final question, the stockholder asked the *Chairman* if the principal shareholder would be picking-up those shares that will not be taken by the minority shareholders during the equity rights offering. To this question, the *Chairman* emphasized that interested shareholders who want to participate in the equity rights offering will have the opportunity to take-up the shares that are not subscribed by other shareholders.

Since no further questions were raised despite opportunity being given, the *Chairman* entertained a motion duly seconded to approve the proposal to amend the SEVENTH Article of the Corporation's Amended Articles of Incorporation increasing the authorized capital stock and the corresponding resolutions as aforementioned.

After conferring with the Corporate Secretary, the *Chairman* informed the stockholders that based on the tally of votes, stockholders owning more than 2/3 of the total outstanding shares of stock of the Corporation voted in favor of the amendment and accordingly resolved to adopt and approve the proposed corporate resolutions.

The details of the final tally of votes were:

	<b>NUMBER OF VOTES CAST</b>	<b>PERCENTAGE OF TOTAL OUTSTANDING SHARES</b>
1. Yes/Approved	3,579,112,144	68.89%
2. No/Against	153,211,761	3%
3. Abstain	1,000	nil
<b>Total Votes Cast</b>	<b>3,732,324,905</b>	

**4. OTHER MATTERS**

The *Chairman* asked the Corporate Secretary if there were any other matter that should be brought to the attention of the stockholders. The Corporate Secretary responded that there were no other matters to be taken at this meeting.

**5. ADJOURNMENT**

Upon motion duly made and seconded, the meeting was adjourned.

**CERTIFIED CORRECT:**

**JANNETTE VIRATA SEVILLA**  
*Secretary of the Meeting*

**ATTESTED:**

**IGNACIO ALEJANDRO MIJARES ELIZONDO**  
 (President)  
*Chairman of the Meeting*