

**MINUTES OF THE ANNUAL MEETING
OF THE STOCKHOLDERS
OF
TOP FRONTIER INVESTMENT HOLDINGS, INC.**

Held at Executive Dining Room, 2nd Floor, San Miguel Head Office Complex,
No. 40 San Miguel Avenue, Mandaluyong City
on July 12, 2017

PRESENT:

| <u>Name</u> | No. of Shares | |
|------------------------------------|---------------|------------------|
| | <u>Common</u> | <u>Preferred</u> |
| IÑIGO U. ZOBEL | 199,601,417 | |
| MASTER YEAR LIMITED (By Proxy) | 49,799,800 | |
| PRIVADO HOLDINGS, CORP. (By Proxy) | 36,814,051 | |
| SAN MIGUEL CORPORATION (By Proxy) | 2,561,031 | 1,904,540 |
| RAMON S. ANG | 75,887 | |
| FERDINAND K. CONSTANTINO | 14,850 | |
| AURORA T. CALDERON | 2,360 | |
| NELLY A. FAVIS-VILLAFUERTE | 100 | |
| CONSUELO M. YNARES-SANTIAGO | 100 | |
| Others | 9,732,339 | |

Total Number of Shares Present: Common - 298,601,935 (89.70%)
Preferred - 1,904,540 (100%)
Total - 300,506,475 (89.76%)

Total Number of Shares Issued and Outstanding: Common - 332,886,167
Preferred - 1,904,540
Total - 334,790,707

1. CALL TO ORDER

Mr. Iñigo U. Zobel, the Chairman of the Board, called the meeting to order and presided over the same. After the singing of the National Anthem, Ms. Maria Rosario B. Balanza, the Investor Relations Head, led the invocation.

2. CERTIFICATION OF NOTICE AND QUORUM

The Corporate Secretary, Atty. Virgilio S. Jacinto, certified that notices to the shareholders were duly sent. He certified that there are present in person or by proxy, stockholders owning and/or representing approximately 89.70% of the outstanding common shares, and 100% of the outstanding preferred shares, for a total of approximately 89.76% of the outstanding capital stock of the Company.

Atty. Jacinto stated, for the record, that proxies executed by stockholders owning and/or representing 89.76% of the outstanding common and preferred shares of the Company have been issued in favor of the Chairman of the meeting authorizing him to vote for the approval of all corporate actions to be submitted in the meeting pursuant to the agenda circulated to the stockholders.

3. APPROVAL OF PREVIOUS MEETING MINUTES

Upon motion duly made and seconded, there being no objections, the stockholders approved the following resolution:

Stockholders Resolution No. 2017-07-12-01
Approval of the Minutes of the Annual Stockholders’
Meeting held on 14 July 2016

“**RESOLVED**, as it is hereby resolved, that the stockholders approve the Minutes of the Annual Stockholders’ Meeting held on 14 July 2016.”

4. APPROVAL OF ANNUAL REPORT FOR 2016

Ms. Aurora T. Calderon, a Director and the Treasurer of the Company, was requested by the Chairman to deliver the Annual Report for 2016. A copy of the report is attached hereto as Annex “A”.

Thereafter, Mr. Zobel opened the floor for questions from the stockholders.

Ms. Sandra Ablaza asked for the outlook of the Company for 2017. Mr. Ramon S. Ang, the President and Chief Executive Officer, replied that the income forecast across San Miguel Corporation (“SMC”) will be better than 2016, and is projected to triple in the next five (5) years.

Ms. Rosalina Y. Javier asked what are the new projects of SMC, to which, Ms. Calderon reiterated the construction of new breweries of San Miguel Brewery Inc. and the expanding food business of San Miguel Pure Foods Company, Inc., as mentioned in the Annual Report.

Atty. Pacifico B. Tacub said that he read in the newspapers that SMC will be putting up an airport in Bulacan and inquired which portion of Bulacan will the airport be located. Mr. Ang responded that there are still no specific areas being targeted but the area along the Manila Bay is being considered. Atty. Tacub said that there are newspaper reports on SMC’s plan of purchasing several hectares of land in Pangasinan, Laguna and other provinces, and that he would like to inquire the purposes for which these lands are being purchased. Mr. Ang clarified that there are plans to purchase lands in Bulacan for the airport with four (4) runways, also in the Davao Industrial Estate, and for Petron Corporation in Batangas. Mr. Ang advised and explained that the details of such plans cannot be disclosed and presented at this time to avoid speculation, to which Atty. Tacub expressed his understanding. In closing, Atty. Tacub congratulated Management and the Board of Directors.

There being no other questions from the stockholders, upon motion duly made and seconded, and there being no objections, the stockholders unanimously resolved to close the open forum and approve the following resolution:

Stockholders Resolution No. 2017-07-12-02
Approval of the Annual Report of the Company

“RESOLVED, as it is hereby resolved, that the stockholders approve and ratify the Annual Report of the Company for 2016, as presented.”

5. RATIFICATION OF ALL ACTS OF THE BOARD OF DIRECTORS AND CORPORATE OFFICERS

Upon motion duly made and seconded, there being no objections, the stockholders unanimously approved the following resolution:

Stockholders Resolution No. 2017-07-12-03
Ratification of All Acts of the Board of Directors and Corporate Officers

“RESOLVED, that all acts, resolutions and proceedings of the Board of Directors and corporate officers of the Company since the Annual Meeting of the Stockholders on 14 July 2016 until today, 12 July 2017, as set forth in the minutes of the meetings of the Board of Directors be, as they hereby are, approved, confirmed and ratified.”

6. APPOINTMENT OF EXTERNAL AUDITORS

The Chairman proceeded to the nomination for the position of external auditors of the Company for fiscal year 2017. Justice Consuelo M. Ynares-Santiago, an Independent Director and Member of the Audit Committee, reported to the stockholders that the Audit Committee, after evaluation, recommends the appointment of the accounting firm of R.G. Manabat & Co. as the external auditors of the Company for the fiscal year 2017.

Upon motion duly made and seconded, there being no objections, the stockholders unanimously approved the following resolution:

Stockholders Resolution No. 2017-07-12-04
Appointment of External Auditors for 2017

“RESOLVED, as it is hereby resolved, that R. G. Manabat & Co. be, as they hereby are, appointed as the external auditors of the Company for the fiscal year 2017.”

7. ELECTION OF DIRECTORS

The Corporate Secretary, upon request of the Chairman, presented to the stockholders the names of the nominees for election to the Board of Directors, namely:

1. Iñigo U. Zobel
2. Ramon S. Ang
3. Ferdinand K. Constantino
4. Aurora T. Calderon
5. Nelly A. Favis-Villafuerte
6. Consuelo M. Ynares-Santiago - Independent Director
7. Minita V. Chico-Nazario - Independent Director

The Chairman explained that the Information Statement circulated to the stockholders provided the names of the nominees for election as independent directors of the Board of Directors and they are Justices Consuelo M. Ynares-Santiago and Minita V. Chico-Nazario. The Chairman likewise informed the stockholders that the named independent directors comply with the mandatory requirements imposed by the Securities and Exchange Commission.

A stockholder moved to dispense with the balloting for the election of directors considering that the number of directors to be elected is seven (7) and there are only seven (7) nominees. It was further moved that all the seven (7) nominees be unanimously elected as directors of the Company for the ensuing year, until their successors are elected and qualified, and that the votes of the stockholders present and represented by proxies be distributed and recorded accordingly.

Upon motion duly made and seconded, there being no objections, the stockholders unanimously approved the following resolution:

Stockholders Resolution No. 2017-07-12-05
Election of Directors

“**RESOLVED**, that the following be, as they hereby are, elected as members of the Board of Directors of the Company, to serve as such for the ensuing year, until their successors are duly elected and qualified:

1. Iñigo U. Zobel
2. Ramon S. Ang
3. Ferdinand K. Constantino
4. Aurora T. Calderon
5. Nelly A. Favis-Villafuerte
6. Consuelo M. Ynares-Santiago - Independent Director
7. Minita V. Chico-Nazario - Independent Director”

The Chairman, on behalf of Management, welcomed the newly-elected members of the Board of Directors and thanked the stockholders for their vote of confidence.

8. ADJOURNMENT

When the Chairman inquired if any of the stockholders have any matter to present in the assembly, Mr. Stephen G. Soliven asked if the Company has plans of declaring cash or stock dividends. Ms. Calderon replied that Management is studying the possibility of declaring dividends, while emphasizing that the Company needs to first service its liabilities and ensure there will be sufficient retained earnings for a dividend declaration.

There being no other matters to be discussed, the meeting was adjourned upon motion duly made and seconded. The Chairman thanked all stockholders present for attending the 2017 Annual Stockholders' Meeting of the Company.

A T T E S T:

IÑIGO U. ZOBEL
Chairman

VIRGILIO S. JACINTO
Corporate Secretary

**Chairman's Report on the Annual Report for 2016
2017 Annual Stockholders Meeting
12 July 2017**

Good afternoon, fellow stockholders, thank you for being here today. 2016 has been a great year for Top Frontier Investment Holdings, Inc., with our major subsidiary, San Miguel Corporation, reporting its strongest financial results by far.

FINANCIAL PERFORMANCE

With favorable economic factors working to its advantage and the operating businesses of San Miguel delivering continuous growth, Top Frontier registered a record net income of P49 billion in 2016, 99% higher than last year.

Consolidated sales revenue reached P685.3 billion, 2% higher than the previous year. This is due to the strong performance of core businesses, with the beer business posting an 18% increase. The infrastructure and energy businesses also contributed higher revenues. However, this was partially offset by the lower sales performance of Petron which registered a decline of 5% due to lower crude prices.

On the other hand, income from operations was significantly higher at P97 billion, a 25% jump from the previous year, while consolidated EBITDA grew by 17% to P130 billion.

For 2016, the new businesses -- Petron, Power and Infrastructure -- already contributed 63% of consolidated operating income versus 59% in 2015.

San Miguel's consistent growth year after year reflects the success of its strategy to diversify from its core food, beverage, and packaging businesses to high-growth industries such as power, infrastructure, and fuels.

Ten years since its diversification, San Miguel has a stronger operating base and more revenue sources; it is more profitable than ever, and is in the best position to help contribute to Philippine economic growth and development.

The way forward is clear. We need to lock in the gains we have earned, and sustain the accelerated pace of expansion of our businesses.

ONGOING SMC PROJECTS

San Miguel has rolled out the next phase of its growth.

- San Miguel Brewery is building two new breweries and will expand and modernize existing breweries and bottling lines.
- San Miguel Pure Foods is building new production facilities for its Value-Added, Flour, Feed Milling, and Poultry businesses. It is also putting up a ready-to-eat facility in Sta. Rosa.

- The San Miguel Packaging Group will be constructing an integrated packaging facility to supply the domestic and export markets.
- In infrastructure—San Miguel continues to work on completing Skyway Stage 3 from Buendia to Balintawak to decongest EDSA by 2019.
- It is also set to complete the last segment of the Tarlac-Pangasinan-La Union Expressway, to Rosario, La Union, by next year.
- Work is also in full swing on the MRT7 project from Quezon City all the way to San Jose del Monte, Bulacan. Upon completion, MRT-7 will have a capacity of 850,000 passengers per day.
- These infrastructure projects along with the operating tollroads—STAR Tollway, SLEX, Skyway 1 and 2; the Tarlac to Binalonan stretch of the TPLEX, and the recently-completed NAIA Expressway— will further improve the mobility of people, goods and services as well as strengthen urban connectivity to the countryside.
- Last year, San Miguel completed the runway expansion of the Boracay Airport. Currently, it is constructing a brand new passenger terminal with 12 air bridges and a capacity of up to seven million passengers a year. Completion is set for 2018.
- Work has also begun on the design and construction of the Bulacan Bulk Water project, which will supply treated water to 24 water districts.
- San Miguel’s power business has also reached many significant milestones. The new Malita, Davao power plant has been commissioned and is now operational. By end of this year, the plant in Limay, Bataan will also be fully operational.
- For its fuels and petrochemicals business, Petron, programs are underway to expand its service station network and optimize the expanded refining capacity.

CLARIDEN HOLDINGS, INC.

Our other subsidiary, Clariden Holdings, Inc., holds ownership of the Nonoc nickel mining project in Surigao and other gold and copper mines in Mt. Cadig, Bango and North Davao. Currently, Clariden continues to undertake exploration activities in these sites in preparation for future operations.

It also continues to support its host communities through development and social responsibility initiatives, particularly in the areas of environmental protection and management, safety and health, and other community development programs.

FIRST QUARTER 2017 RESULTS

With the continued strong performance of our major subsidiary, San Miguel Corporation, your company continued to register strong growth through the first quarter of 2017.

Consolidated revenues increased 23% to P196 billion, with SMC's fuels, core food and beverage, and energy businesses all delivering higher sales.

Consolidated income from operations reached P27 billion, up 22% from the same period last year. Consolidated net income before foreign exchange translation grew 69% to P15 billion. Net of foreign exchange translation, consolidated net income was P13.6 billion.

We thank you, our shareholders for your continued trust and support. We look forward to delivering even better results to you in the coming years, as we continue to strengthen our businesses and make them work better for our countrymen. Again, thank you and good afternoon.