

MINUTES OF THE ANNUAL MEETING OF THE
STOCKHOLDERS OF

SM PRIME HOLDINGS, INC.

Held on 20 April 2021 at 2:30 p.m.
(via Remote Communication)

DIRECTORS PRESENT:

HENRY T. SY, JR.

Chairman of the Board
Member, Executive Committee

JOSE L. CUISIA, JR.

Vice Chairman and Lead Independent Director
Chairman, Audit Committee
Member, Risk Oversight Committee
Member, Corporate Governance Committee

GREGORIO U. KILAYKO

Independent Director
Chairman, Risk Oversight Committee
Member, Corporate Governance Committee
Member, Related Party Transactions Committee
Member, Audit Committee

JOSELITO H. SIBAYAN

Independent Director
Chairman, Corporate Governance Committee
Chairman, Related Party Transactions Committee
Member, Audit Committee

HANS T. SY

Director
Chairman, Executive Committee

HERBERT T. SY

Director
Member, Executive Committee

JORGE T. MENDIOLA

Non-Executive Director
Member, Audit Committee
Member, Risk Oversight Committee
Member, Related Party Transactions Committee

JEFFREY C. LIM

Director and President
Member, Executive Committee

ALSO PRESENT:

TERESITA T. SY-COSON

Adviser to the Board

ELIZABETH T. SY
JOSE T. SIO
JOHN NAI PENG C. ONG
ELMER B. SERRANO
ARTHUR A. SY.
MARVIN PERRIN L. PE
ALEXANDER D. PONENTO
CHRISTOPHER S. BAUTISTA

Adviser to the Board
Adviser, Audit Committee and Risk Committee
Chief Finance Officer/ Compliance Officer
Corporate Secretary
Assistant Corporate Secretary
Chief Risk Officer
Vice-President – Investor Relations
Vice-President – Internal Audit

Stockholders present in person or represented by proxy

25,190,064,778 shares (Please see Record of Attendance here attached as **Annex A**)

1. Call to Order

The meeting opened with an invocation followed by the Philippine National Anthem. The host then acknowledged the presence of all directors and key officers of **SM Prime Holdings, Inc.** (the **Company**), with certain directors and officers attending the meeting from various locations in the Mall of Asia Complex and some directors joining remotely.

Mr. Henry T. Sy, Jr., Chairman of the Board, welcomed stockholders and guests 2021 Annual Stockholders' Meeting of the Company, streaming live via Zoom Webinar. The Chairman thanked the stockholders for registering online, for joining the meeting and for voting. The Chairman remarked that the meeting is being held virtually for the second year as the safety of its stockholders remains to be the Company's priority.

The Chairman also announced that the chat box of the livestream platform has been opened for stockholders to raise their questions and comments. He explained that the Company through its Investor Relations team will endeavor to answer questions not addressed during the meeting via email.

The Chairman then called the meeting to order. Atty. Elmer B. Serrano, Corporate Secretary, recorded the minutes of meeting.

2. Certification of Notice and Quorum

Before proceeding with the meeting, the Chairman requested the Corporate Secretary to certify to the posting and publication and existence of a quorum.

The Corporate Secretary certified that, in compliance with the rules issued by the Securities and Exchange Commission (SEC), the notice of the meeting, the Definitive Information Statement, along with the Company's "Guidelines for Participation via Remote Communication and Voting *in Absentia*" were uploaded via PSE EDGE and posted on the Company's website on 19 March 2021. Further, the Corporate Secretary certified that the same notice of meeting was published in the Business Sections of Manila Bulletin and the Philippine Daily Inquirer from 23 to 25 March 2021, both in print and online formats.

The Corporate Secretary then certified that based on record of attendance, stockholders attending by proxy and stockholders who have registered to remotely join the virtual meeting represent 25,190,064,778 common shares, representing 87.23% of the issued and outstanding capital stock of the Company as of record date of 22 March 2021. He then certified that a quorum was present for the transaction of business by the stockholders.

The Corporate Secretary announced that SyCip Gorres Velayo & Co. has been engaged as third-party tabulator of votes cast for the meeting. He also informed participants that the meeting will be recorded in accordance with SEC rules.

3. Approval of Minutes of the Annual Stockholders’ Meeting held on 15 June 2020

The Chairman proceeded to the next item in the agenda which is the approval of the minutes of the annual meeting of stockholders held on 15 June 2020. A copy of the minutes was posted on the Company’s website soon after last year’s annual meeting adjourned. The minutes have also been appended to the Definitive Information Statement which was posted on PSE EDGE.

The Corporate Secretary stated for the record that unqualified votes cast for each item for approval shall be counted in favor of the matter under consideration.

He then presented the tabulation of votes for the approval of the minutes:

In Favor		Against		Abstain	
No. of Shares	%	No. of Shares	%	No. of Shares	%
25,169,917,826	99.92	0	0	20,146,952	0.08

With the above votes in favor, the following resolution was passed and adopted:

“RESOLVED, that the minutes of the annual meeting of stockholders held on 15 June 2020 are approved.”

4. Approval of 2020 Annual Report and 2020 Audited Financial Statements

The Chairman then requested Mr. Jeffrey C. Lim, President, to render his report on the results of operations for 2020. The President reported as follows:

“Good afternoon, ladies and gentlemen. I hope you are all safe and well as you witness this live broadcast of SM Prime Holdings, Inc.’s 2021 Annual Stockholders’ Meeting. It was not so long ago when we first had our annual gathering via virtual conference set-up, and we hope that in the near future, we’ll get to see everyone again up close and personal, feeling secure and well.

The Year 2020 has brought a different kind of challenge not only to our Company, but to the entire world as the spread of Coronavirus Disease 2019 (COVID-19) has led to the implementation of strict safety protocols in every country that constricted the mobility of people and closure of borders.

The Philippines was not spared from this situation as the national government-imposed community quarantines that required closure of all public and private establishments to contain the spread of the virus. We, at SM, immediately adhered to the safety measures implemented by the government, and extended aid to various institutions – public and private – as well as to our employees and extended workforce.

While the year 2020 has disrupted the consistent year-on-year growth of your Company, our balanced portfolio of malls, residential projects, offices, hotels and convention centers that are strategically located across the country, has allowed us to maintain our operations amidst the economic difficulties.

In 2020, your Company reported PHP18.0 billion in consolidated net income. This is on the back of PHP81.9 billion achievement in consolidated revenues.

SM Prime's primary residential business segment, led by SM Development Corporation, posted PHP46.5 billion revenue, accounting for 58% of consolidated revenues. Through safe and innovative ways of reaching our customers here and abroad, SMDC's reservation sales recorded a 10% growth to PHP99.0 billion.

Meanwhile, our mall business segment, which was taken aback by safety and mobility restrictions, accounted for 34% of SM Prime's 2020 consolidated revenues, and recorded PHP28.3 billion revenues.

SM Prime's offices, with majority of its tenants being in the BPO-related industry, continued to operate at an optimal level and contributed PHP4.8 billion revenues in the same period under review. While, SM Prime's hotel business added PHP1.6 billion revenues as our hotels remained open for accommodation needs of BPO workers as well as temporary shelter for returning Overseas Filipino Workers.

At the on-set of strict community quarantines in the Philippines in March 2020, your Company – together with the whole SM Group – worked hand-in-hand in administering assistance to various stakeholders, civic and medical societies to fight this global pandemic. Aside from financial aid, your Company has also rendered support to various government agencies by providing venues for testing and quarantine, as well as opportunity to local entrepreneurs and farmers to reach out to their customers.

With the extended strict community quarantines in key areas in the Philippines such as in Metro Manila, Bulacan, Rizal, Cavite and Laguna, we are continuously assisting our business partners, most specifically our malls tenants who are badly affected by these community quarantines. As of December 2020, SM Prime has extended rental concessions amounting to Php 23 billion to our mall tenants.

These challenges and risks that your Company faces are being taken care of by the dynamic and highly experienced management team with high standards of corporate governance, having been recently recognized as Golden Arrow Awardee by the Institute of Corporate Directors. We hope that through this milestone, we are

able to further gain your trust and confidence as we continue to exemplify good governance and sustainable development.

To further optimize our operation and keep up with the changing needs and aspirations of our customers, we have likewise streamlined organizational structures and back-office processes, promoting online collaborations, trainings and seminars to ensure the safety and well-being of our employees who continue to provide operational support to the businesses.

We accelerated going into the digital space with the introduction of SM Mall online app where customers can safely buy from SM Mall tenants through their mobile gadgets. For those who choose to visit our SM Malls, SM Prime ensures minimum health and safety protocols are observed within the mall premises. In addition, we have launched "Trace Together," a generic mobile tracing tool for all our properties complementing the tracing program of the national government.

Alongside our triumph in our operations and corporate governance, your Company continuously practices sustainable operations, mindful of the business' impact to the environment. In our efforts to lower our operations' carbon footprint, SM Prime embarked on a five-year program to diversify its energy source portfolio. Your Company will gradually move to energy sources that have less environmental impact and more economical and reliable at the same time.

This year, your Company presents the first Integrated Report that translates our business cycle into a concise, thorough and transparent document for your appreciation, combining both financial and non-financial information into one report.

Aptly titled 'Inspiring Resilience, it highlights how the Company remain productive even through times of crisis by keeping our businesses stable, supporting our partners and continually contributing to nation-building with both government and community assistance. Our Chairman of the Executive Committee Mr. Hans Sy, who was the first Filipino who sat at the United Nations Disaster Risk Reduction (UNDRR) Private Sector Advisory Board and ARISE, Private Sector Alliance for Resilient Societies, is himself at the forefront of our disaster resiliency program.

While we keep our hopes high with the ongoing vaccination program in our country to eradicate the virus soon, SM Prime has committed to donate a portion of vaccine doses we have procured for our employees to support the government's vaccination program. I believe that we should all work together and help one another so we can rise above the challenges the COVID-19 pandemic has brought to us.

In closing, allow me to express my appreciation and utmost thanks to our stakeholders who stayed with us and continuously support all our endeavors despite a challenging year. Together with the employees and Board of Directors of SM Prime, who are committed to serve you all in a safe, reliable and enjoyable way, we wish that we will all be together again soon as we look forward to better days ahead.

To our Board of Directors, most especially to our three outgoing Independent Directors - Mr. Jose Cuisia, Jr., Mr. Gregorio Kilayko and Mr. Joselito Sibayan - please know that we will always be grateful for the years of service you have rendered here in SM Prime. The wisdom and knowledge you have shared with us will always be a huge part of the Company that has grown into one of the leading integrated property developers in Southeast Asia.

To the Sy Family, thank you for the kindness and generosity you've shown not only to the employees of the SM Group but also to various people across different sectors in our country this past year. You've been a constant inspiration to a lot of Filipino families around the world, always ready to offer a helping hand.

Let's continue staying safe and consider the challenges of the past year as motivation to deliver better and stronger. Again, good afternoon to everyone and thank you."

The Chairman thanked the President for his report and lauded Management for the Company's performance amidst the pandemic. He then asked the Corporate Secretary to announce the results of voting. The Corporate Secretary presented the tabulation of votes:

In Favor		Against		Abstain	
No. of Shares	%	No. of Shares	%	No. of Shares	%
25,163,817,876	99.90	0	0	26,246,902	0.10

With the above votes in favor, the following resolution was passed and adopted:

"RESOLVED, that the 2020 Annual Report and the 2020 Audited Financial Statements are approved."

5. Announcement of Cash Dividends

The Chairman then announced that at the regular meeting of the Board of Directors just adjourned, the Board approved a cash dividend declaration of Php0.082 per share, or approximately Php2.368 Billion, in favor of all stockholders of record as of 5 May 2021, and payable on 19 May 2021.

Participants applauded the announcement. Mr. Jose L. Cuisia, Jr., Lead Independent Director, also congratulated Management and whole SM Prime team for the good performance of the Company and for its corporate responsibility efforts in a difficult year.

6. Ratification of the Acts of the Board of Directors and Management

The next item in the agenda is the ratification of all acts and resolutions made and adopted by the Board of Directors and carried out by Management during their term, or from the date of the last annual stockholders' meeting up to this meeting. These corporate acts are detailed in the Definitive Information Statement provided to all stockholders of record.

The Corporate Secretary presented the tabulation of votes:

In Favor		Against		Abstain	
No. of Shares	%	No. of Shares	%	No. of Shares	%
25,154,070,735	99.86	4,102,341	0.02	31,891,702	0.13

With the above votes in favor of approval, the following resolution was passed and adopted:

“RESOLVED, that the acts of the Board of Directors and Management during their term or from the date of the last annual stockholders’ meeting up to this meeting are ratified.”

7. Election of Directors for 2021-2022

The next item in the agenda is the election of directors for the year 2021-2022. The Chairman requested the Mr. Joselito H. Sibayan, Chairman of the Corporate Governance Committee, to present the nominees to the Board.

Mr. Sibayan discussed that the Corporate Governance Committee has pre-screened and short-listed candidates qualified to be elected to the Board of Directors. He then announced the names of the following nominees to the Board for 2021-2022:

Mr. Henry T. Sy, Jr.
Mr. Hans T. Sy
Mr. Herbert T. Sy
Mr. Jorge T. Mendiola
Mr. Jeffrey C. Lim

Independent Directors

Ms. Darlene Marie B. Berberabe
Mr. Amando M. Tetangco, Jr.
Mr. J. Carlitos G. Cruz

The Corporate secretary thereafter presented the number of votes garnered by each of the nominees:

Nominee	No. of Votes
Henry T. Sy, Jr.	23,813,232,221
Hans T. Sy	24,144,111,232
Herbert T. Sy	24,206,705,932
Jorge T. Mendiola	23,880,964,040
Jeffrey C. Lim	25,095,419,325
Darlene Marie B. Berberabe	25,154,484,394
Amando M. Tetangco, Jr.	25,154,533,738
J. Carlitos G. Cruz	24,676,673,103

The Corporate Secretary explained that since there are only eight (8) nominees and with the votes received, all nominees have obtained sufficient votes for election.

The following resolution was therefore passed and adopted:

“RESOLVED, that following are elected to the Board of Directors of SM Prime Holdings, Inc. for 2021-2022, to serve as such directors until their successors have been duly qualified and elected:

Henry T. Sy, Jr.
Hans T. Sy
Herbert T. Sy
Jorge T. Mendiola
Jeffrey C. Lim

Independent Directors

Darlene Marie B. Berberabe
Amando M. Tetangco, Jr.
J. Carlitos G. Cruz

After the voting results were announced, the Chairman congratulated the newly-elected members of the Board, and welcomed the new Independent Directors.

The Chairman thereafter thanked the outgoing Independent Directors for their invaluable and dedicated service to the Company. He then gave the floor to the outgoing Independent Directors.

Mr. Sibayan first gave his speech of appreciation, highlighting milestones shared with the Company:

“Thank you, Mr. Chairman.

I am very thankful to the Sy family, the shareholders, and to Management and staff for this opportunity to be part of the evolution of SM Prime into the Philippines’ largest listed operating company.

There are three milestones I can cite where SM Prime exhibited the hallmark of a great company. These attributes are strategic thinking and execution, focus on operational efficiencies and excellence, and concern for all its stakeholders. When the SM Group merged all its property businesses under SM Prime eight years ago, it was a major strategic move that propelled SM Prime to be one of the largest and most relevant property developers in Southeast Asia. When SM Prime became the first One Trillion Peso listed company in the Philippines four years ago, it was a manifestation of its focus on operational excellence and efficiencies. Ove the past thirteen months of this pandemic, SM Prime was at the forefront of helping its employees, tenants, and communities to cope with surviving the market decline. Many tenants I’ve talked to are thankful that SM Prime has taken the industry

leadership with regard to condoned rentals, albeit expensive, e-commerce-based marketing initiatives, and other support and relief efforts.

While Ambassador Joey Cuisia, Iggy Kilayko, and I are exiting SM Prime in a down year, with its outstanding officers and staff, the support of its stakeholders, and its corporate governance, we are very confident that SM Prime is well-positioned to rebound back to our usual double-digit annual growth.

To Lelen Berberabe, Itos Cruz, and Governor Say Tetangco, welcome to SM Prime as our new Independent Directors.”

The Chairman thanked Mr. Sibayan and next gave the floor to Mr. Gregorio U. Kilayko, who also expressed his gratitude and appreciation to the Company, its stockholders and Management, the late *Chairman Emeritus* Mr. Henry Sy, Sr., the Chairman and the Advisers to the Board, and his fellow Directors:

“In 1994 SM Prime went public, making it possible for investors, from small ones like many of us to very large sophisticated foreign funds, to own this truly marvelous Company, once dubbed as one of the best listed stocks in Asia. Indeed, I am very much honored to have been appointed in 2008 as one of its independent directors. Now that I am stepping down as a board member, I wish to thank the Sy family for this once in a lifetime privilege.

I do miss *Tatang* - Henry Sy, Sr. - whose vision and drive transformed what was once a small shoe store into one of the most admired and dominant Philippine conglomerates. No doubt the SM Group has uplifted, in a sustainable way, the economic status of many Filipinos.

I wish to thank our chairman, Big Boy Sy, whose big ideas, seemingly impossible when written in a yellow pad, have become realities. I also wish to thank Hans Sy, the chairman of the Executive Committee who, with his sharp engineering mind, directed the construction of more than seventy world class shopping malls and then oversaw their operations. Hans’ attention to details is so impressive that he seems to know every nook and cranny of each mall. I also wish to thank our board advisor, Tessie Sy Coson. Her relentless drive to succeed and be dominant has guided SM Prime and other SM companies to achieve fantastic growth. I also want to thank my fellow director, Herbert Sy who, with his deep understanding of retailing and food merchandising - Yes, we all know about his famous *turon* - has provided invaluable inputs to the Company’s success. And also, to Betty and Harley Sy for always supporting our board and sharing their expertise in hotel management, merchandising and strategic planning.

To all my fellow board members, thank you. To Ambassador Joey Cuisia, who was personally handpicked by Henry Sy, Sr. to be the first independent director of SM Prime, for twenty-seven years you have provided wisdom and guidance to his children in managing this business. And to the management of SM Prime, headed by its president, Jeffrey Lim, I thank you all for your hard work and dedication in making SM Prime the first trillion-Peso Company and truly world class.”

The Chairman thanked Mr. Kilayko. Finally, he turned over the floor to Mr. Cuisia, Lead Independent Director. Mr. Cuisia gave his farewell remarks after serving as an Independent Director of the Company for almost three decades, expressing gratitude and appreciation to the whole SM Group:

“It is a great honor and invaluable learning experience to serve as Independent Director of SM Prime Holdings, Inc. for twenty-seven years. I cherish most the deep friendship with Mr. Henry Sy, Sr., endearingly called *Tatang*, whose business acumen, incredible work ethic, clarity of vision, simplicity and humility inspire beyond words. *Tatang’s* legacy lives on in his children who are decisive leaders, promote value-driven management, and espouse a pragmatic ‘stick to the knitting, stay with the business you know’ philosophy.

In 1994, SM Prime had Php2.26 Billion in revenues, Php 1.01Billion in net income, and Php15.4 Billion in total assets. By 2019, these key result areas reached a phenomenal Php 118 Billion, Php38 Billion, and Php 667 Billion respectively. Today, SM Prime is the second largest company in the Philippine Stock Exchange, thanks to the dedication of our employees, the professionalism of Management, and the leadership of the Board.

I am especially privileged to have worked with two other fellow Independent Directors as well as other Board members whose integrity, dynamism and commitment are unquestionable. 2020 was a devastating year for business and the economy, but it also illuminated our organization’s true character of genuine concern for employees and all stakeholders whose safety and well-being overrode profit considerations.

Then and now, the SM Group generously assists many needy Filipinos and communities. And when we have the head for business as well as the heart for people, as our slogan declares, ‘We’ve got it all for you.’ In the years ahead, I am certain SM Prime’s unparalleled growth and profitability will scale even greater heights. In particular, I congratulate and sincerely thank Board Chair Henry Sy, Jr., ExCom Chair Hans Sy, and President Jeffrey Lim for making me part of this remarkable journey.”

The Chairman thanked Mr. Cuisia, and on behalf of the Company, its Directors and Management, expressed appreciation to the outgoing Independent Directors for their invaluable contribution to the growth of the Company.

8. Appointment of External Auditor

The next item in the agenda is the appointment of the Company’s external auditor for 2021. The Chairman informed the stockholders that the Audit Committee processed and screened the nominees for external auditor and recommended, as confirmed by the Board of Directors, the appointment of SyCip, Gorres, Velayo & Co. as external auditor for 2021.

The Corporate Secretary then announced the results of voting:

In Favor		Against		Abstain	
No. of Shares	%	No. of Shares	%	No. of Shares	%
24,310,558,753	96.51	859,203,475	3.41	20,302,550	0.08

With the above votes in favor of approval, the following resolution was passed and adopted:

“RESOLVED, that the appointment of SyCip, Gorres, Velayo & Co. as external auditor for 2020 is approved.”

9. Open Forum

The Chairman then proceeded with the Question-and-Answer portion of the meeting. He explained that all stockholders of record were allowed to submit questions in advance via email to info@smprime.com, and through the chat box of the meeting livestream. The Chairman thanked the stockholders for sending their questions and comments and reiterated that the Company’s Investor Relations team will endeavor to reply via email to questions and comments which were not addressed during the meeting.

The Chairman requested the Corporate Secretary to read some of the questions received from the stockholders.

The first question was from Mr. Anthony Gilbert Antiquiera, who asked if the Company will open new malls this year. Mr. Jeffrey C. Lim answered that the Company plans to open three new malls this year – SM City Daet, SM City Roxas, and SM City Grand Central – which will add more than 170,000 sq. m. of gross area to the Company’s portfolio. Mr. Lim added, however, that this is subject to the guidelines and prevailing quarantine classifications in the respective local government units (LGU).

The Corporate Secretary read the next question sent by Mr. Martin Jerald Juco, who asked, “[y]our residential projects are selling well – much better than the projects of other developers. To what do you credit this to? Do you think this level of demand will persist?”

Mr. Lim answered that the Company’s units are typically 25-30 sq. m. in size with just the right price point that has remained attractive for the Company’s target market – the middle-income segment. The efforts of the Company’s sales agents even at the onset of the pandemic, with some of them getting stranded in various parts of the world, have also paid off as seen in the profile of the buyers, where overseas Filipinos account for 56% of reservation sales in 2020. Mr. Lim further explained that the Company carried on with its projects and diligently secured construction permits from the government. Launches, on the other hand, will depend on the allowable construction capacity under IATE rules as well as the LGU.

The Corporate Secretary next read questions sent through the livestream chatbox. A question from Mr. Johann Stephen Nicdao reads: “What is your Company’s CAPEX for 2021 and where will you allot this budget?”

Mr. Lim thanked Mr. Nicdao for sending the question and answered that Php80 Billion has been allotted for capital expenditures in 2021. Mr. Lim explained that this will primarily be used for

mall and residential developments, as well as strategic landbanking activities in consideration of the challenges brought about by the COVID-19 pandemic.

Lastly, the Corporate Secretary read the question from Ms. Mary Rose Natavio who asked about the Company's vaccine roll out plan for the Group. Mr. Lim thanked Ms. Natavio for her question and answered that the Group has procured vaccines for its employees and for donation to the government. Mr. Lim added that employees have signed up for the vaccination program voluntarily and that the Company will be rolling out once these vaccines are available. Also, recently, SM Supermalls began its multi-mall vaccination drive as it inks partnership with various LGUs for the use of Company establishments as venue for the local government's COVID-19 vaccination program. Mr. Lim remarked that SM is closely coordinating with more LGUs as it is slated to roll out more vaccination centers nationwide to help expedite the administration of COVID-19 vaccines and minimize the spread of the virus.

The Chairman thanked the Corporate Secretary and the President for reading and answering the questions.

10. Other Matters

The Chairman inquired if there were other matters that could properly be taken up at the meeting. The Corporate Secretary confirmed that there were none.

11. Adjournment

There being no further business to transact, the Chairman thanked everyone who joined the meeting wished everyone good health. Thereafter, the meeting was adjourned.

CERTIFIED CORRECT:

ELMER B. SERRANO
Corporate Secretary

ATTESTED BY:

HENRY T. SY, JR.
Chairman

SM Prime Holdings, Inc.
Annual Stockholders' Meeting
20 April 2021, 2:30 p.m.

Record of Attendance

Total number of voting shares outstanding	28,879,231,694
Total number of shares present by proxy	23,145,413,233
Total number of shares participating remotely	2,044,651,545
Total number of shares represented	25,190,064,778
Attendance percentage	87.23%