

BenguetCorp

SEC Reg. No. 11341

07 November 2019

SECURITIES AND EXCHANGE COMMISSION  
G/F Secretariat Building  
PICC Complex, Roxas Boulevard  
Manila 1307

Attention: MR. VICENTE GRACIANO P. FELIZMENIO, JR.  
Director, Market & Securities Regulation Department

PHILIPPINE STOCK EXCHANGE, INC.  
6<sup>th</sup> Floor, Philippine Stock Exchange Tower  
5<sup>th</sup> Avenue corner 28<sup>th</sup> Street  
Bonifacio Global City,  
Taguig City

Attention: MS. JANET A. ENCARNACION  
Head – Disclosure Department

Subject: RESULTS OF ANNUAL MEETING OF STOCKHOLDERS AND  
ORGANIZATIONAL MEETING OF THE BOARD OF DIRECTORS

Gentlemen:

In compliance with the disclosure rules of the Securities and Exchange Commission (SEC) and Philippine Stock Exchange (PSE), we hereby report the results of the Annual Meeting of the Stockholders and Organizational Meeting of the Board of Directors of Benguet Corporation (the "Company") held today, November 7, 2019, 3:00 p.m. and 4:00 p.m., respectively at the 4<sup>th</sup> Floor, JV Del Rosario, Rooms 2-5, JV Del Rosario Building, AIM Conference Center Manila, Benavidez cor. Trasierra Streets, Legaspi Village, 1229 Makati City, as follows:

A. Results of the Annual Meeting of Stockholders:

1. The Corporate Secretary certified that there is a quorum for the transaction of business, there being present in person or represented by proxy a total of 296,387,161 or 79.50% of Convertible Preferred Class A and Class A shares and a total of 126,667,859 or 51.69% of Class B shares or a combined total of 423,055,020 or 68.47% of Convertible Preferred Class A, Class A and B shares of the Company.
2. The Management Report to the stockholders present during the annual meeting highlighted the 2018 performance of the Company as follows:
  - The Company was able to capitalize on its deep portfolio of assets in 2018. This allowed the Company the opportunity to focus on implementing structural changes in its core business – mining. Aside from extracting efficiencies in the value chain of the gold operations, improved metal prices enabled the Acupan project to develop new areas with potential resources. The nickel business was still able to contribute from shipment of remaining stockpiles even as mining activities remain suspended.
  - The Company posted strong earnings in a year that was beset with tremendous market volatility. Consolidated revenues for this year reached ₱1.03 billion, only ₱504 million or 33% lower than revenues in 2017 of ₱1.53 billion.

- Gross revenues from the mining businesses amounted to ₱939 million, down only by 32% or ₱441 million from last year's revenues of ₱1.38 billion considering that its revenue driver – the nickel business remained suspended. Mining revenues were driven mainly by the Gold operations, rallying behind solid fundamentals in its value-chain despite uncertainties.
  - The non-mining businesses contributed an additional ₱89.5 million in gross revenues down 41% than previous year's revenues of ₱153 million. This is the learning curve of the logistics business which started diversifying outside its nickel mining services contracts.
  - Still with reduced nickel business activity, year-end Net Income was an improvement at ₱119 million, up by ₱98 million, or over five times last year's ₱21.5 million. Total Comprehensive Income reached ₱233 million, ₱188 million or five times higher than the prior year's income of ₱45.6 million.
  - Total Equity rose to ₱3.93 billion, higher by 6% than Total Equity in 2017 of ₱3.70 billion.
  - Consistent with management's strategic imperative to maximize the Company's various assets, the Total Assets as of 2018 are valued at ₱6.62 billion versus the ₱6.56 billion level in 2017.
  - A total of ₱42.7 million was spent for the Company's Environmental Protection and Enhancement Program (AEPEP) in 2018. The Company's nickel and gold mining operations continue to be ISO 14001:2015 certified. During the year, the Company propagated 411,399 of various seedlings in its company-owned nurseries and planted about 360,595 seedlings of various endemic species resulting in the rehabilitation of about 166.03 hectares in compliance to the Company's progressive rehabilitation program and Department of Environment and Natural Resources' (DENR's) National Greening Program.
  - The Company implemented various Social Development and Management Programs (SDMP) which supplemented the general welfare programs of the national and local governments. It provided various community services which include programs for health, medical, peace and order, safety, livelihood, education, social services and waste management. All programs were implemented in coordination with the Local Government Units, various government agencies and organizations, and the host communities in Zambales and Benguet Provinces.
  - The Company will pursue the development and improvement of the operations of its business segments – mining, logistics, health care, and real estate.
  - With gold still the best earning commodity at current price above the US\$1,400/oz level and favorable foreign exchange, the Company will endeavor to improve ore grades, and production volume as well as enhance mill capacity in the Benguet Gold Operation (BGO) vis-à-vis build up in mine development activity. Management is working closely with its mining contractors and BC mining team for higher production output to complement efficiencies implemented in the mill. BGO is expected to benefit from the gold price upturn which is forecasted to last well throughout 2020.
  - The effort to lift the 2016 mining suspension continues with resolute compliance and implementation by Benguetcorp Nickel Mines Inc. (BNMI)'s Environmental Protection and Enhancement Programs (EPEPs) and Social Development and Management Programs (SDMPs). Bolstering local relations and strong market are essential to sustain the Company's commitment to haul and ship the remaining stockpile in compliance with the order of the DENR. Management is hoping that prices will pick up in the latter part of the mining season to make this initiative more viable.
  - The non-mining business units are on track to generate respectable, and stable revenues this year. Market expansion will be pushed to take advantage of the headway made in their respective areas last year. The healthcare business is expected to increase its footprint in Baguio City. The logistics arm, Arrow Freight Corporation, aims to increase its fleet to be able to deliver additional tonnage of aggregates within Central Luzon. Feasibility studies of new real estate projects are ongoing.
  - The Company will strive to meet its strategic thrust of deriving a balanced revenue from its mining with new mining projects, and non-mining business units through new real estate projects.
3. Attached is tabulation of votes (Annex "A") attested by SGV & Company showing the votes attained for the following matters approved and authorized by the stockholders:

- 3.1 The stockholders approved the Minutes of the Annual Meeting of Stockholders held on November 8, 2018. The Company received votes in person and by proxy a total of 296,387,161 or 79.50% of Convertible Preferred Class A and Class A shares and a total of 126,667,859 or 51.69% of Class B shares or a combined total of 423,055,020 or 68.47% of Convertible Preferred Class A, Class A and B shares in favor of the approval of the Minutes of the Annual Meeting of Stockholders held on November 8, 2018.
  - 3.2 The stockholders approved the Management Report and Audited Financial Statements for 2018. The Company received votes in person and by proxy a total of 296,387,161 or 79.50% of Convertible Preferred Class A and Class A shares and a total of 126,667,859 or 51.69% of Class B shares or a combined total of 423,055,020 or 68.47% of Convertible Preferred Class A, Class A and B shares in favor of the approval of the Management Report and Audited Financial Statements for 2018.
  - 3.3 The stockholders approved the re-appointment of Sycip Gorres Velayo and Company (SGV) as the Company's independent external auditor. The Company received votes in person and by proxy a total of 296,387,161 or 79.50% of Convertible Preferred Class A and Class A shares and a total of 126,667,859 or 51.69% of Class B shares or a combined total of 423,055,020 or 68.47% of Convertible Preferred Class A, Class A and B shares in favor of the approval of the re-appointment of SGV & Company as the Company's independent external auditor.
  - 3.4 The stockholders approved the changing of the date of annual stockholders' meeting from last Tuesday of May of each year, or on such other day in May as may be determined by the Board of Directors to first Wednesday of November of each year, or on such other day in November as may be determined by the Board of Directors and the corresponding amendment to Section 1, Article II of the Company's amended By-Laws. The Company received votes in person and by proxy a total of 296,387,161 or 79.50% of Convertible Preferred Class A and Class A shares and a total of 126,667,859 or 51.69% of Class B shares or a combined total of 423,055,020 or 68.47% of Convertible Preferred Class A, Class A and B shares in favor of the approval of changing the date of annual stockholders' meeting from last Tuesday of May of each year, or on such other day in May as may be determined by the Board of Directors to first Wednesday of November of each year, or on such other day in November as may be determined by the Board of Directors and the corresponding amendment to Section 1, Article II of the Company's amended By-Laws.
  - 3.5 The stockholders confirmed and ratified all acts, contracts, resolutions and proceedings made and entered into by Management and/or the Board of Directors since the November 8, 2018 Annual Stockholders' Meeting up to November 7, 2019. The Company received votes in person and by proxy a total of 296,387,161 or 79.50% of Convertible Preferred Class A and Class A shares and a total of 126,667,859 or 51.69% of Class B shares or a combined total of 423,055,020 or 68.47% of Convertible Preferred Class A, Class A and B shares in favor of the confirmation and ratification of all acts, contracts, resolutions and proceedings made and entered into by Management and/or Board of Directors since the November 8, 2018 Annual Stockholders' Meeting up to November 7, 2019.
4. No election of directors was held because the 1993 Supreme Court Temporary Restraining Order (TRO) enjoining the holding of elections of directors, has not been lifted. Thus, the Company's present set of directors will remain in office on hold-over capacity until their successors shall have been duly elected and qualified. The composition of the Board of Directors are as follows:
    - A. Representing the Class "A" Convertible Preferred and Common Class "A" Shares of Stock
      1. Ma. Remedios R. Pompidou
      2. Luis Juan L. Virata
      3. Jose Raulito E. Paras
      4. Romeo L. Go
      5. Rhodora L. Dapula – (Independent Director)
      6. Reginald S. Velasco – (Independent Director)
    - B. Representing the Common Class "B" Shares of Stock
      1. Jennelyn F. Go
      2. Jesse Hermogenes T. Andres

3. Edgar Dennis A. Padernal
4. Bernardo M. Villegas – (Independent Director)

If within ninety (90) days after today's stockholders' meeting, an order is issued lifting the TRO (enjoining election of Board of Directors), an election may be held without need of new proxy solicitation. This is indicated in the Notice of Annual Meeting of Stockholders dated September 13, 2019 and Part II-Information Required in a Proxy Form of the Definitive Information Statement (SEC Form 20-IS) and Proxy Forms.

**B. Results of the Organizational Meeting of the Board of Directors:**

At the Organizational Meeting of the Board of Directors of the Company held on 07 November 2019 after the Annual Meeting of Stockholders, the following matters were taken up and approved:

1. The Board appointed/re-elected/re-appointed the Chairman of the Board and Officers of the Company to the following positions:

Chairman of the Board	-	Mr. Bernardo M. Villegas
Officer-In-Charge, Senior Vice President- Legal & Asst. Corporate Secretary	-	Atty. Reynaldo P. Mendoza
Officer-In-Charge, Senior Vice President- Finance & Controller	-	Atty. Lina G. Fernandez
Vice President- Finance & Treasurer	-	Mr. Max D. Arceño
Asst. Vice President- Business Development & Special Projects	-	Ms. Ma. Anna Vicedo-Montes
Asst. Vice President- Environmental Compliance-	-	Ms. Pamela M. Gendrano
Asst. Vice President- Audit & Risk	-	Mr. Dale A. Tongco
Corporate Secretary	-	Atty. Hermogene H. Real

2. The Board approved the re-appointment of principal legal counsel: Sycip Salazar Hernandez & Gatmaitan Law Office;
3. The Board approved the re-appointment of Stock Transfer Agent and Registrar - Stock Transfer Service, Inc. (STSI) for local and U.S. stockholders;
4. The Board approved the reconstitution of the following Board Committees:

(1) EXECUTIVE COMMITTEE

Chairman: Jesse Hermogenes T. Andres  
 Members: Maria Remedios Paz R. Pompidou  
 Bernardo M. Villegas (Independent Director)

(2) SALARY AND STOCK OPTION COMMITTEE

Chairman: Jesse Hermogenes T. Andres  
 Members: Bernardo M. Villegas (Independent Director)  
 Jose Raulito E. Paras

(3) AUDIT COMMITTEE

Chairman: Bernardo M. Villegas (Independent Director)  
 Members: Rhodora L. Dapula (Independent Director)  
 Jennelyn F. Go

(4) NOMINATION COMMITTEE

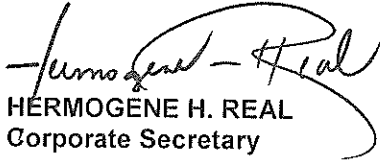
Chairman: Rhodora L. Dapula (Independent Director)  
 Members: Edgar Dennis A. Padernal  
 Bernardo M. Villegas (Independent Director)

- (5) CORPORATE GOVERNANCE COMMITTEE  
Chairman: Reginald S. Velasco (Independent Director)  
Members: Rhodora L. Dapula (Independent Director)  
Bernardo M. Villegas (Independent Director)  
Lina G. Fernandez – Compliance Officer
- (6) BOARD RISK OVERSIGHT COMMITTEE (BROC)  
Chairman : Reginald S. Velasco (Independent Director)  
Members : Romeo L. Go  
Bernardo M. Villegas (Independent Director)  
Dale A. Tongco – Chief Risk Officer
- (7) RELATED PARTY TRANSACTIONS (RPT) COMMITTEE  
Chairman : Rhodora L. Dapula (Independent Director)  
Members : Reginald S. Velasco (Independent Director)  
Luis Juan L. Virata

We hope that the foregoing constitutes compliance of the disclosure requirements of your good office.

Very truly yours,

BENGUET CORPORATION

  
HERMOGENE H. REAL  
Corporate Secretary

**BENGUET CORPORATION**  
**Tabulation of Votes**  
**Stockholders' Meeting - November 7, 2019**

PROPOSALS -----	TOTAL SHARES VOTED	#2			#3			#4			#5			#6			#7		
		APPROVAL OF MINUTES			APPROVAL OF MNGT REPOR AND AUDITED FS FOR 2018			RE-APPOINTMENT OF SGV			CHANGING DATE OF ANNUAL STOCKHOLDERS' MEETING			RATIFICATION OF ALL ACTS CONTRACTS, RESOLUTIONS			OTHER MATTERS		
		For	Against	Abstain	For	Against	Abstain	For	Against	Abstain	For	Against	Abstain	For	Against	Abstain	For	Against	Abstain
<b>CLASS "A"</b>																			
Shares Voted	296,387,161	296,387,161	-	-	296,387,161	-	-	296,387,161	-	-	296,387,161	-	-	296,387,161	-	-	296,387,161	-	-
Percentage Voted	79.50%	79.50%	0.00%	0.00%	79.50%	0.00%	0.00%	79.50%	0.00%	0.00%	79.50%	0.00%	0.00%	79.50%	0.00%	0.00%	79.50%	0.00%	0.00%
<b>CLASS "B"</b>																			
Shares Voted	126,667,859	126,667,859	-	-	126,667,859	-	-	126,667,859	-	-	126,667,859	-	-	126,667,859	-	-	126,667,859	-	-
Percentage Voted	51.69%	51.69%	0.00%	0.00%	51.69%	0.00%	0.00%	51.69%	0.00%	0.00%	51.69%	0.00%	0.00%	51.69%	0.00%	0.00%	51.69%	0.00%	0.00%
<b>TOTAL SHARES VOTED (Class "A" + Class "B")</b>																			
Shares Voted	423,055,020	423,055,020	-	-	423,055,020	-	-	423,055,020	-	-	423,055,020	-	-	423,055,020	-	-	423,055,020	-	-
Percentage Voted	68.47%	68.47%	0.00%	0.00%	68.47%	0.00%	0.00%	68.47%	0.00%	0.00%	68.47%	0.00%	0.00%	68.47%	0.00%	0.00%	68.47%	0.00%	0.00%

Attested By:

BENGUET CORPORATION

By:



ROMEO H. TANGALIN  
 Manager, Stockholder Relations Office

Attested By:

SYCIP GORRES VELAYO & CO.

By:



PETER JOHN R. VENTURA  
 Partner, Assurance