

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

NOTICE IS HEREBY GIVEN that the annual meeting of stockholders of **ACEN CORPORATION** will be conducted by remote communication via <http://www.ayalagroupshareholders.com/> on **Monday, April 24, 2023 at 9:00 o'clock in the morning** with the following

A G E N D A¹

1. Call to Order
2. Certification of Notice and Quorum
3. Approval of Minutes of Previous Meeting
4. Annual Report of Management including the 2022 Audited Financial Statements
5. Ratification of the Acts of the Board of Directors and Officers
6. Amendment of the Seventh Article of the Articles of Incorporation to Create Preferred Shares *via* the Reclassification of 100 Million Unissued Common Shares into Preferred Shares
7. Offering/issuance, and/or Private Placement, and Listing of up to Twenty-Five Million Preferred Shares
8. Election of Directors (Including Independent Directors)
9. Election of External Auditor and Fixing of its Remuneration
10. Consideration of Such Other Business as May Properly Come Before the Meeting
11. Adjournment

The deadline for nomination of directors is **March 15, 2023**.

Only stockholders of record as of **April 4, 2023** are entitled to notice of, and to vote at, this meeting.

Pursuant to the Corporation's By-Laws, the Chairman, acting on the authority delegated by the Board of Directors during its meeting on March 7, 2023, has approved that the Annual Stockholders' Meeting be held in a fully virtual format; hence, stockholders may only attend the meeting by appointing the Chairman of the meeting as their proxy, by remote communication, or by voting *in absentia*.

Duly accomplished proxies should be submitted on or before 9:00 AM of **April 12, 2023** to the Office of the Corporate Secretary at the 35th Floor, Ayala Triangle Gardens Tower 2, Paseo de Roxas corner Makati Avenue, Makati City or by email to corpsec.acen@acenergy.com.ph. Validation of proxies is set for **April 14, 2023** starting at 9:00 AM.

Stockholders may participate by remote communication or vote *in absentia* subject to validation procedures. Stockholders intending to participate by remote communication should notify the Corporation on or before **April 18, 2023**. The procedures for participation in the meeting through remote communication and for voting *in absentia* will be set forth in the Information Statement.²

¹ See page 3 for the explanation for each agenda item.

² Stockholders should notify the Corporation at corpsec.acen@acenergy.com.ph of their preference to receive hard copies of the Information Statement and other ASM materials on or before March 20, 2023.

Stockholders of record as of April 4, 2023 owning at least 5% of the total outstanding capital stock of the Corporation may submit proposals on items for inclusion in the agenda on or before **April 17, 2023**.³

All communications should be sent by email to corpsec.acen@acenergy.com.ph on or before the designated deadlines.

Makati City, March 15, 2023.



SOLOMON M. HERMOSURA
Corporate Secretary

³ The inclusion of the proposed agenda item shall be in accordance with SEC Memorandum Circular No. 14, Series of 2020, and the Corporation's internal guidelines.

EXPLANATION OF AGENDA ITEMS

Call to Order

The Chairman will formally open the meeting at approximately 9:00 o'clock in the morning.

Certification of Notice and Quorum (and Rules of Conduct and Procedures)

The Corporate Secretary will certify that written notice for the meeting was duly sent to stockholders and that a quorum exists for the transaction of business.

Pursuant to Sections 5, 6 and 7 of the By-laws and Sections 57 and 23 of the Revised Corporation Code which allow attendance *via* remote communication and voting *in absentia* by the stockholders, the Corporation has set up a designated online web address which may be accessed by the stockholders to register and vote on the matters at the meeting *in absentia*, and to attend the meeting via remote communication.⁴ A stockholder participating by remote communication or who votes *in absentia* shall be deemed present for purposes of quorum.

The following are the rules of conduct and procedures for the meeting to be conducted in virtual format:

- (i) Stockholders may attend the meeting remotely through the online web address (URL) provided. Questions and comments may be sent prior to or during the meeting at corpsec.acen@acenergy.com.ph and shall be limited to the Items in the Agenda.
- (ii) Each of the proposed resolutions will be shown on the screen in the venue and during the livestreaming as the same is taken up at the meeting.
- (iii) Stockholders must notify the Corporation on or before April 17, 2023 of their intention to participate in the Meeting by remote communication to be included in determining quorum, together with the stockholders who voted *in absentia* and by proxy.
- (iv) Stockholders shall only be allowed to cast their votes through the Voting *in Absentia* and Shareholder (VIASH) System or by authorizing the Chairman of the meeting as proxy. VIASH will be open for stockholder registration from April 18, 2023 up to April 21, 2023.
- (v) Stockholders voting *in absentia*, who have previously registered in the VIASH System, may cast their votes electronically at any time using the VIASH System prior to or during the meeting.
- (vi) All the items in the Agenda for the approval by the stockholders will need the affirmative vote of stockholders representing at least a majority of the issued and outstanding voting stock present at the meeting, except for the amendment to the Articles of Incorporation which requires the affirmative vote of stockholders representing at least 2/3 of the outstanding capital stock.
- (vii) Election of directors will be by plurality of votes and every stockholder will be entitled to cumulate his votes. Each outstanding share of stock entitles the registered stockholder to one (1) vote.
- (viii) The Committee of Inspectors of Proxies and Ballots will tabulate all votes received and an independent third party will validate the results. The Corporate Secretary shall report the results of voting during the meeting.
- (ix) The meeting proceedings shall be recorded in audio and video format.

Approval of Minutes of Previous Meeting

The minutes of the meeting held on April 25, 2022 is available at the Corporation's website, www.acenrenewables.com.ph.

⁴ The detailed instructions pertaining to the URL and the use thereof will be provided in the Information Statement.

Annual Report of Management Including the 2022 Audited Financial Statements

The President and Chief Executive Officer, Mr. John Eric T. Francia will report on the performance of the Corporation in 2022 and the outlook for 2023.

The Corporation's annual report and sustainability report for 2022, integrated into one report titled *Integrated Report*, will contain the "Message from the Chairman" and the "Report of the President". Copies of the 2022 Integrated Report will be posted on the Corporation's website, <https://www.acenrenewables.com/acen-2022-ir/>.

The Audited Financial Statements as of December 31, 2022 (AFS), as approved by the Board upon the recommendation of the Audit Committee, will be included in the Information Statement to be sent to the stockholders at least 15 business days prior to the meeting and posted in the Corporation's website.

Ratification of the Acts of the Board of Directors and Officers

The actions of the Board and its Committees were those taken and adopted since the annual stockholders' meeting on April 25, 2022 until April 23, 2023. They include the approval of agreements, projects, investments, treasury-related matters, and other matters covered by disclosures to the Securities and Exchange Commission and the Philippine Stock Exchange. The acts of the officers were those taken to implement the resolutions of the Board or its Committees or made in the general conduct of business. These Board and Committee actions are listed and detailed in the Information Statement.

Amendment to the Seventh Article of the Articles of Incorporation to Create Preferred Shares via the Reclassification of 100 Million Unissued Common Shares into Preferred Shares

Approval by the stockholders representing at least two thirds (2/3) of the outstanding capital stock will be sought to amend the Seventh Article of the Articles of Incorporation to create preferred shares via reclassification of 100 million unissued common shares into preferred shares. Stockholders shall not have any pre-emptive rights with respect to the issuance of the preferred shares. A stockholder who votes against this particular item may exercise the right of appraisal in accordance with Sections 80 and 81 of the Revised Corporation Code by making a written demand on the Corporation for the payment of the fair value of shares held within thirty (30) days from the date of the vote, and the failure to make the demand within said period shall be deemed a waiver of the appraisal right.

Offering/issuance, and/or Private Placement, and Listing of up to Twenty-Five Million Preferred Shares

Approval by the stockholders representing at least a majority of the outstanding capital stock will be sought for the issuance, whether through a public offering or a private placement, of up to twenty-five (25) million preferred shares (in PHP or USD), whether in one or several series, and the listing of such preferred shares with the Philippine Stock Exchange, including the re-issuance and re-listing of such preferred shares following their redemption if provided for under the terms thereof.

The issuance is part of a fifty (50) million preferred shares shelf program to be established by the Corporation, subject to regulatory approvals. On 7 March 2023, the Board approved the issuance of up to twenty-five (25) million preferred shares (in PHP or USD), where in in one or in various series, as the first tranche of such preferred shares.

Election of Directors (Including Independent Directors)

The eleven (11) nominees for directors have been evaluated and determined by the Corporate Governance and Nomination Committee of the Board to have all the qualifications and competence necessary for the effective performance of the Board's roles and responsibilities, and none of the disqualifications to serve as members of the Board, shall be presented for election to the stockholders. The profiles of the nominees to the Board will be provided in the Information Statement.

Election of External Auditor and Fixing of its Remuneration

The Audit Committee of the Board will endorse to the stockholders the election of the external auditor for the ensuing fiscal year as well as its proposed remuneration. The external auditor conducts an independent verification of the Corporation's financial statements and provides an objective assurance on the accuracy of its financial statements. The profile of the external auditor will be provided in the Information Statement.

Consideration of Such Other Business as May Properly Come Before the Meeting

Stockholders may email questions or comments prior to or during the meeting at the following email address: corpsec.acen@acenergy.com.ph. The Chairman will take up agenda items received from stockholders on or

before April 17, 2023 in accordance with existing laws, rules and regulations of the Securities and Exchange Commission and the Corporation's internal guidelines.⁵

⁵ SEC Memorandum Circular No. 14, series of 2020 or "Shareholders' Right to Put items on the Agenda for Regular/Special Stockholders' Meetings": <https://www.sec.gov.ph/mc-2020/mc-no-14-s-2020shareholders-right-to-put-items-on-the-agenda-for-regular-specialstockholders-meetings/>.