

**MINUTES OF THE ANNUAL MEETING OF STOCKHOLDERS
OF GLOBAL-ESTATE RESORTS, INC.**

held on 28 June 2018

Grand Ballroom, Eastwood Richmonde Hotel, Orchard Road
Eastwood City, Bagumbayan, Quezon City

Board Attendance

Present:

Dr. Andrew L. Tan	-	Chairman
Atty. Monica T. Salomon	-	Director/President
Ms. Lourdes T. Gutierrez-Alfonso	-	Director
Mr. Wilbur L. Chan	-	Director
Atty. Ferdinand T. Santos	-	Director
Mr. Kevin Andrew L. Tan	-	Director
Mr. Alain A. Sebastian	-	Director
Mr. Jesus B. Varela	-	Independent Director
Atty. Cresencio P. Aquino	-	Independent Director

I. CALL TO ORDER

The designated Chairman of the Meeting, Monica T. Salomon, called the meeting to order at 9:03 A.M.

II. CERTIFICATION OF NOTICE AND QUORUM

The Corporate Secretary, Dominic V. Isberto, informed the body that, based on the certification of the Corporation's stock transfer agent, notices of the Annual Meeting were sent to all stockholders of the Corporation as of 18 May 2018, the record date of the Annual Meeting. He likewise certified that there exists a quorum for the transaction of business for the Annual Meeting, there being present either in person or represented by proxy, stockholders representing 98% of the total subscribed and outstanding capital stock of the Corporation.

III. APPROVAL OF THE MINUTES OF THE ANNUAL MEETING OF STOCKHOLDERS HELD ON 29 JUNE 2017

The Presiding Officer informed the stockholders that the first item in the Agenda is the reading and approval of the Minutes of the Annual Shareholders' Meeting held on 29 June 2017. She likewise mentioned that copies of the Minutes were distributed to the shareholders together with the Information Statement and Notice and Agenda of this Meeting.

Upon motion made and duly seconded, since copies of the Minutes of the Annual Stockholders' Meeting held last year were already distributed to all stockholders, the reading of the Minutes was dispensed with and the same was approved.

IV. REPORT OF MANAGEMENT

The President of the Corporation, Ms. Salomon, delivered the Management Report for the year 2018.

Highlights of the report are as follows:

The year 2017 is a continuation of GERI's inspiring growth story. Net income of the Company grew by 45% from P1.1B in 2016 to P1.6B in 2017.

Lots and condominium sales grew by 13% from P4.8B in 2016 to P5.4B in 2017, representing 83% of total revenues for the year.

2017 Highlights

The Company launched two clusters of The Belvedere, a resort condominium in Twin Lakes.

GERI also launched two integrated lifestyle communities. The first is *Eastland Heights* in Antipolo, which has a 36-hole golf course and country club, a water park and a spa complex. Model houses in Eastland Heights are currently under construction. The second integrated lifestyle community is the *Hamptons Caliraya*, which is a lakeside development with a marina in Cavinti, Laguna.

These project launches have a total sales value of Php 9.5B. The Company now has seven integrated tourism estates, townships, and lifestyle communities across the country covering more than 3,000 hectares of land.

The Company completed three projects: 1) *Southwoods Mall* in Southwoods City; 2) the first two condominium clusters of *Holland Park*, which has a Northern European flair; and, 3) *Pahara at Southwoods City*, a residential village built on hilly terrains with linear parks and pocket gardens.

In Twin Lakes, the Company completed Merlot, the first condominium cluster of The Vineyard Residences, which has views of Taal Volcano and the surrounding vineyard where grapes are grown for winemaking. It also completed the French country inspired clubhouse of *Domaine Le Jardin*, the first residential village in Twin Lakes.

With the completion of Southwoods Mall in 2017 and the Office Towers this year, the Company's leasable floor area has grown from 6,700 square meters to 83,300 square meters in addition to land for lease.

In September 2017, the Company opened Southwoods Mall, the first full-scale Megaworld lifestyle mall south of Manila. Southwoods Mall is now a dining destination and has also evolved into a community hub. The Mall regularly hosts programs and events in partnership with the local government, the business sector and community institutions. With the opening of Southwoods Mall, rental income of the Company grew by 54% from P105M in 2016 to P161M in 2017.

Early this year, Landers Alabang West opened its doors to the public.

In addition, Southwoods Office Towers were fully leased out. Other retail projects still under construction are in Alabang West and Eastland Heights. These retail projects are intended to cater to residents of the GERI's integrated lifestyle communities.

This year, the Company expects to complete Belmont Hotel and Twin Lakes Hotel. Twin Lakes Hotel will offer 126 rooms and a wellness spa. The hotel rooms have balconies that offer views of Taal Lake or the Vineyard. Twin Lakes Hotel was recently awarded "Best Hotel

Development” by the prestigious Philippines Property Awards. The Hotel is just a short walk down from Twin Lakes Shopping Village.

2018 Targets

- Launch 5 new residential condominium buildings with total sales value of Php 12.8B: 2 residential towers in Ortigas, 1 out of 4 residential towers in Southwoods City, the third cluster of The Belvedere in Twin Lakes, and another themed project in Twin Lakes
- Complete 3 residential projects: Alabang West Village in Las Pinas, Chardonnay Cluster of Twin Lakes Vineyard Residences, and the last two clusters of Holland Park in Southwoods City.
- Open Twin Lakes Hotel
- Allocate P6.5B for the development of existing projects and for land acquisition
- Design, build and manage more integrated lifestyle communities and tourism estates in nature and resort settings
- Strengthen “GERI” as a premium brand for integrated leisure and lifestyle developments through innovative and sustainable real estate product offerings

OPEN FORUM

Question 1: Good morning ma’am. You have mentioned in your Report that GERI’s target is to open Twin Lakes Hotel later this year. Do you have a particular target month for it? And what would be the theme or concept of Twin Lakes Hotel? Thank you.

Answer: We’re looking at November this year to open Twin Lakes Hotel. Since it’s located in a very picturesque environment, Twin Lakes Hotel is really for relaxation. There’s a wellness spa, heated infinity pool, a vineyard. There’s also a ballroom that can hold 500 persons, which is ideal for weddings and other events. We also have a business center for business functions and a game room for families.

Question 2: Good morning, my name is John Lao. Based on your loan and other obligations, what would be your required level of retained earnings for you to start declaring dividends?

Answer: We gave dividend guidance last year. We said that we could start declaring dividends by 2022.

Follow-up

Question: I’d like to get some figures because I would like to do some computations to be able to find out if you are on tract. Right now your retained earnings is around 8 billion. With your loan and preferred share obligations, your growth in retained earnings, I think, is around 1.6 billion. I just want to check if you are on tract in giving dividends in the next 3 years.

Answer: By 2022, we would be paying off most of our loans but right now, our retained earnings are all dedicated to our capital expenditure.

Follow-up

Question: Okay, if you're not able to declare dividends, maybe you could consider stock dividends. Right now your authorized capital stock is around 20 billion when the Company's issued and outstanding shares is only around 10 billion. So, you have plenty of leeway to declare stock dividends, if you are going to consider it.

Answer: We will consider your suggestion. Thank you.

Question 3: I noticed that the two towers of your residential project in Southwoods are already finished. How is the take-up of your residential property in Southwoods?

Answer: After the opening of Southwoods Mall, all four clusters of Holland Park are fully sold out.

Question 4: Can you update us on our Boracay projects? Has it stop operations right now because of the closure?

Answer: All of our projects in Boracay are completed except for Belmont Hotel, which we are going to complete this year. As for the closure, hotel operations have stopped but fortunately, the revenue from hotel operations is still minimal.

Follow-up

Question: I also noticed from the Financial Statements that revenue from rental and hotel operations is quite small compared to the sales and revenue from real estate sales. Will we see these increasing in the coming years?

Answer: Yes. That's really our target. We want to grow our recurring income. In fact, our rental income has grown by 54%. By the end of the year, it will be bigger.

Comment: Good morning! I am Ed Lucero. I don't have a question. I just want to congratulate the Board and Management of GERI for a very good performance this year. I hope you continue what you are doing so our investments will also continue to grow. Also, I would like to second the motion of the guy who mentioned if you could consider declaration of stock dividends. Thank you very much.

Answer: Yes, we will consider that. Thank you also for your confidence.

Question 5: Will there be a commercial development in Eastland Heights?

Answer: Yes, we are developing the commercial area in Eastland Heights to cater to the needs of the lot buyer and homeowners there. I think, McDonald's will start construction soon.

V. APPROVAL OF THE 2017 AUDITED FINANCIAL STATEMENTS

The Presiding Officer informed the stockholders that copies of the Audited Financial Statements for the calendar year ending 31 December 2017, together with the Annual Report of Management and the Interim Financial Statements for the period ending 31 March 2018, were

transmitted to stockholders together with the Definitive Information Statement and Notice and Agenda of the Meeting.

Upon motion made and duly seconded, the stockholders approved the Corporation's Audited Financial Statements for the calendar year ending 31 December 2017.

VI. RATIFICATION OF ALL ACTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS, BOARD COMMITTEES AND CORPORATE OFFICERS

The Presiding Officer proposed the ratification of all acts of the Corporation's Board of Directors, Board Committees and corporate officers and all resolutions adopted by them since the 29 June 2017 Annual Stockholders' Meeting up to the present.

Upon motion made and duly seconded, the stockholders approved a resolution ratifying all acts of the Corporation's Board of Directors, Board Committees and corporate officers and all resolutions adopted by them since the 29 June 2017 Annual Stockholders' Meeting up to the present.

VII. ELECTION OF DIRECTORS

The Presiding Officer informed the stockholders that the Corporation will be electing nine (9) directors. She added that, pursuant to the Securities Regulation Code and the Corporation's Revised Manual of Corporate Governance, the Corporation is mandated to elect at least two (2) Independent Directors out of the nine directors.

Ms. Karen B. Maderazo, Head of Human Resources Division, informed the stockholders that the Nomination Committee has approved the list of nominees for election and that notice thereof was filed with the Securities and Exchange Commission, the Philippine Stock Exchange, and the stockholders as of She also reported that each of those in the List of Candidates possesses all the required qualifications and none of the disqualifications to hold office as directors of the Corporation.

Ms. Maderazo then reported that based on the List of Candidates as follows: **Dr. Andrew L. Tan, Atty. Monica T. Salomon, Ms. Lourdes T. Gutierrez-Alfonso, Atty. Ferdinand T. Santos, Mr. Wilbur L. Chan, Mr. Kevin Andrew L. Tan, and Mr. Alain A. Sebastian** as regular directors; and **Mr. Cresencio P. Aquino and Mr. Jesus B. Varela**, as independent directors.

Thereafter, it was moved and seconded that, considering that there are only nine (9) nominees and only nine (9) seats in the Board, those nominated as regular directors and as independent directors, respectively, be considered as having been elected by acclamation. In the absence of objection, the Presiding Officer declared the nominees elected to the Board of Directors by unanimous vote of all shareholders present in person or represented by proxy.

VIII. APPOINTMENT OF EXTERNAL AUDITOR

The Presiding Officer informed the stockholders that the Board of Directors, upon consultation with the Audit Committee, has recommended the appointment of Punongbayan and Araullo as external auditor of the Corporation's financial statements for the year ending 31 December 2018.

Upon motion made and duly seconded, the stockholders approved the appointment of Punongbayan & Araullo as external auditor of the Corporation for the audit of its financial statements for the year ending 31 December 2018.

IX. ADJOURNMENT

The meeting was adjourned at about 9:30 A.M.

CERTIFIED CORRECT:

DOMINIC V. ISBERTO
Corporate Secretary

ATTESTED BY:

ANDREW L. TAN
Chairman

MONICA T. SALOMON
President/Director

LOURDES T. GUTIERREZ-ALFONSO
Managing Director

WILBUR L. CHAN
Director

FERDINAND T. SANTOS
Director

KEVIN ANDREW L. TAN
Director

ALAIN A. SEBASTIAN
Director

JESUS B. VARELA
Independent Director

CRESENCIO P. AQUINO
Independent Director