

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

held on 27 June 2019

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

Board Attendance

Present:

Atty. Monica T. Salomon	-	Director/President
Ms. Lourdes T. Gutierrez-Alfonso	-	Director
Mr. Kevin Andrew L. Tan	-	Director
Atty. Ferdinand T. Santos	-	Director
Mr. Jesus B. Varela	-	Independent Director
Atty. Cresencio P. Aquino	-	Independent Director

I. CALL TO ORDER

The designated Chairman of the Meeting, Atty. Monica T. Salomon, called the meeting to order at 9:02 A.M.

II. CERTIFICATION OF NOTICE AND QUORUM

The Corporate Secretary, Atty. Maria Carla T. Uykim, certified that all stockholders of the Corporation as of 17 May 2019, the record date of the Annual Meeting, were notified of the meeting. She 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 98.72% of the total subscribed and outstanding capital stock of the Corporation.

III. APPROVAL OF THE MINUTES OF THE ANNUAL MEETING OF STOCKHOLDERS HELD ON 28 JUNE 2018

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 28 June 2018, which were distributed to the shareholders together with the Information Statement prior to the meeting.

Upon motion made and duly seconded, the reading of the Minutes of the Annual Stockholders' Meeting held last year was dispensed with and the same was approved.

IV. REPORT OF MANAGEMENT

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

Highlights of the report are as follows:

GERI is celebrating its 25th anniversary this 2018. Below are the important milestones in GERI's 25-year history.

1994 – The Company is incorporated as Fil-Estate Land, Inc.

1995 – The shares of the Company are listed on the Philippine Stock Exchange.

2011 – Alliance Global Group acquires a majority stake in the Company. The Company is renamed Global-Estate Resorts, Inc. to engage in tourism and leisure development. In the same year, GERI launches its first integrated tourism estate – the 150-hectare Boracay Newcoast.

2012 – GERI launches Twin Lakes, a 1,200-hectare mixed-use tourism estate near Tagaytay.

2014 – Megaworld acquires Alliance Global's stake in GERI. GERI launches three leisure townships. The first is the 561-hectare Southwoods City in Laguna and Cavite. Three Southwoods City developments are launched - Southwoods Mall and Office Towers, Holland Park condominium and the 26-hectare Pahara residential village. The second township is Alabang West, a 62-hectare Beverly Hills-themed township in Las Pinas, and the third is the 173-hectare Sta. Barbara Heights township near the Iloilo International Airport.

2015 – Twin Lakes Shopping Village opens.

2016 – GERI completes three developments in Boracay - Oceanway Residences condominium, Newcoast Village and the Shophouse and Boutique Hotel District. Two other developments are completed - Domaine Le Jardin Village in Twin Lakes and Sta. Barbara Residential Estates in Iloilo. As a result, GERI's Net Income in 2016 breaches the P1B mark. In the same year, GERI launches three new developments - Twin Lakes Manor condominium, Twin Lakes Lucerne Village, and Chancellor Hotel Boracay.

2017 – GERI opens Savoy Hotel Boracay. GERI opens Southwoods Mall, a Megaworld lifestyle mall. GERI completes two clusters of Holland Park, the Pahara residential village and the Merlot cluster of Twin Lakes Vineyard Residences. As a result, Net Income jumped from P1.1B in 2016 to P1.5B in 2017, an increase of 33%. Additional projects are launched – Ocean Garden Villas residential condominium in Boracay Newcoast and The Belvedere condominium in Twin Lakes. GERI launches two integrated lifestyle communities featuring nature as a central amenity. The first is the 640-hectare Eastland Heights on the highlands of Antipolo with a 36-hole golf course, a spa and water park. The second is the 300-hectare Hamptons Caliraya, a lakeside development with a marina, sports club and hotel complex.

2018 – Twin Lakes Hotel opens. This is the crown jewel of Twin Lakes Vineyard Resort. It has only 126 hotel rooms overlooking Taal Lake and the Vineyard. It has ballroom and conference facilities and a soon to open wellness facility. GERI starts to turn over the nearby Chardonnay cluster of Twin Lakes Vineyard Residences and residential lots in the upscale Alabang West Village.

GERI also completes and fully leases out Southwoods Office Towers. With the completion of Holland Park, GERI launches the first tower in Tulip Gardens, and The Fifth, a twin tower residential condominium in the Ortigas area.

In 2018, Consolidated Revenues grew by 22% from P6.2B in 2017 to P7.5B in 2018. Real Estate Sales grew by 21% from P5.3B in 2017 to P6.4B in 2018, fueled by sales from Alabang West, Holland Park and Belmont Hotel. Although the bulk of Company revenues

remains to be Real Estate Sales, the growth of Rental Income in 2018 is significant, from P161.2M in 2017 to P427M in 2018, a growth of 165%, reflecting the full-year lease revenues from Southwoods Mall and Landers Alabang West. Net Income grew by 14% from P1.5B in 2017 to P1.7B in 2018.

2019 – During the first half of this year, GERI launched three projects - Countrywoods condominium in Twin Lakes, another tower in Tulip Gardens, and the second tower of Chancellor Hotel Boracay with a total sales value of P4.3B. Before the end of the year, GERI will open Alabang West Parade on the retail side of Alabang West. GERI will also open Belmont Hotel Boracay this year, adding 442 guest rooms to its hotel inventory.

Most of GERI's milestones were achieved in a span of only eight years. It started with P776M of Consolidated Revenues in 2010 and ended with P7.5B in 2018. Real Estate Sales in 2010 was only P38.6M. In 2018, Real Estate Sales was at P6.4B. Due to development of investment property, its Rental Income grew from P32.4M in 2010 to P427M in 2018.

GERI started with a Net Loss of P153M in 2010 and ended with a Net Income of P1.7B in 2018.

Today, the Company has eight (8) large-scale tourism and leisure developments across the country. GERI has built 1,094 residential condominium units and 1,743 hotel rooms. GERI has developed 3,183 residential lots and 236 commercial lots.

The Philippines Property Awards and FIABCI have recognized six of GERI's developments for their excellence. Oceanway Residences and Twin Lakes Vineyard Residences have each won Best Condo Development (Resort category). Boracay Newcoast is Gold winner in the Sustainable Development Category this year. Twin Lakes Hotel was awarded Best Hotel Development (Resort category) for two consecutive years. Southwoods Mall won a Gold for Retail Category and Hamptons Caliraya a Silver in Resort Category, this year.

It is the vision of the Megaworld Group to make the Philippines a main tourist hub in Asia and the world through GERI's integrated tourism and leisure estates.

GERI believes that tourism can be a strong driver of economic growth and employment for Filipinos, and that GERI can make a significant impact on society through its tourism and leisure developments.

OPEN FORUM

Question 1: Good morning, I'm John Lao, a stockholder. Last year, I made a suggestion on the declaration of stock dividends, and the reply is you will consider it. What happened, can you enlighten us on the latest development?

Answer: The declaration of stock dividends will reduce the earnings per share, and we think that it might have an impact on the stock price. What we are looking at is a declaration of cash dividends. We made a dividend guidance two years ago, which we confirmed last year, that by 2022, the Company would be in a position to declare cash dividends.

Follow up

Question: I already waited this long for the cash dividends, and now, I can no longer wait. By 2022, I'll be 71 years old. We live in a country where life expectancy of males is only 69. So, maybe you could reconsider it for the sake of our older stockholders, who are mostly senior citizens.

Answer: We will study again, but right now our cash is earmarked for the payment of our loans and development of our projects. We think that 2022 would be a good year to start declaring cash dividends.

Question 2: Good morning, I'm Jun Cabiling of Makati. This is a follow-up on the question of declaring cash dividend. I am also 76 years old. You mentioned that dividend will be distributed in 2022. Can we make it earlier instead of 2022?

Answer: Do you prefer stock or cash dividend?

Follow-up

Question: I prefer cash dividend because stock dividend means you still have to wait for the stock prices to go up.

Answer: We will consider it. Thank you.

Question 3: Good morning madam. Since the company is engaged in tourism development, do you have any plans to grow hotel operating income?

Answer: Yes. With the opening of Boracay, we expect a big growth in our hotel operating income this year.

Question 4: Good morning. What is the rental growth projected for this year, and where will it come from?

Answer: We expect the bulk of the growth to come from Southwoods Office Towers because this year we are going to realize full year lease revenues from this project. We expect around 40-60% growth in rental revenues. In fact, for the first quarter, we already have 180 million in rental revenues.

V. APPROVAL OF THE 2018 AUDITED FINANCIAL STATEMENTS

The Presiding Officer informed the stockholders that copies of the 2018 Audited Financial Statements were distributed to the stockholders prior to the meeting.

Upon motion made and duly seconded, the stockholders approved the 2018 Audited Financial Statements.

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 28 June 2018 stockholders' meeting up to the present.

Upon motion made and duly seconded, the stockholders ratified all acts of the Corporation's Board of Directors, Board Committees and corporate officers and all resolutions adopted by them from 28 June 2018 up to the present.

VII. AMENDMENT OF BY-LAWS TO CREATE EXECUTIVE COMMITTEE (ARTICLE III, SECTION 9)

The Presiding Officer informed the stockholders that the Board of Directors approved the amendment of the Corporation's By-laws to create an Executive Committee composed of at least three (3) members, who will act by majority vote of all its members on such specific matters within the competence of and as may be delegated by the Board.

Upon motion made and duly seconded, the stockholders representing at least 2/3 of the outstanding capital of the Company ratified the proposed amendment of the Company's By-Laws to create an Executive Committee composed of at least three (3) members of the Board of Directors to be appointed by the Board, which shall act, by majority vote of all its members, on such specific matters within the competence of the Board of Directors, except with respect to those matters prescribed in Section 34 of the Revised Corporation Code of the Philippines such as: (a) approval of any action for which shareholders' approval is also required; (b) filling of vacancies in the board; (c) amendment or repeal of By-Laws or the adoption of new By-Laws; (d) amendment or repeal of any resolution of the Board of Directors which by its express terms is not amendable or repealable; and (e) distribution of cash dividends to the shareholders.

VIII. ELECTION OF DIRECTORS

The Presiding Officer informed the stockholders that the Corporation will be electing nine (9) directors, at least two (2) of whom shall be independent directors pursuant to the Securities Regulation Code and the Corporation's Revised Manual of Corporate Governance.

Ms. Karen B. Maderazo, on behalf of the Corporate Governance Committee, presented the nominees as follows: **Andrew L. Tan, Monica T. Salomon, Lourdes T. Gutierrez-Alfonso, Ferdinand T. Santos, Wilbur L. Chan, Kevin Andrew L. Tan, and Rollence Elloyd S. Chiusinco** as regular directors; and **Cresencio P. Aquino and Jesus B. Varela**, as independent directors.

Ms. Maderazo also reported that all the nominees possess all the required qualifications and none of the disqualifications to hold office as directors.

Thereafter, it was moved and seconded that considering there are only nine (9) nominees and only nine (9) seats in the Board, all nominees are 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.

IX. APPOINTMENT OF EXTERNAL AUDITOR

The Presiding Officer informed the stockholders that the Board of Directors, upon recommendation of the Audit Committee, has approved the appointment of Punongbayan and Araullo as external auditor of the Corporation's financial statements for the year ending 31 December 2019.

Upon motion made and duly seconded, Punongbayan & Araullo was appointed as external auditor of the Corporation for the audit of its financial statements for the year ending 31 December 2019.

X. **ADJOURNMENT**

There being no other matters in the agenda, the meeting was adjourned at about 9:30 A.M.

CERTIFIED CORRECT:

MARIA CARLA T. UYKIM
Corporate Secretary

ATTESTED BY:

ANDREW L. TAN
Chairman

MONICA T. SALOMON
President/Director

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