

**EMPIRE EAST LAND HOLDINGS, INC.**  
Minutes of the Annual Meeting of Stockholders  
11 June 2019, 9:07 o'clock a.m.  
Grand Ballroom, Eastwood Richmond Hotel  
17 Orchard Road, Eastwood City, Bagumbayan, Quezon City

Present:

Andrew L. Tan	-	Chairman
Anthony Charlemagne C. Yu	-	President
Evelyn G. Cacho	-	Director
Enrique Santos L. Sy	-	Director
Kevin Andrew L. Tan	-	Director
Alejo L. Villanueva, Jr.	-	Independent Director
Cresencio P. Aquino	-	Independent Director
Dennis E. Edaña	-	Corporate Secretary/ Presiding Officer

Also Present:

Celeste Z. Sioson- Bumatay	-	Acting Secretary
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**I. CALL TO ORDER**

Atty. Dennis E. Edaña, the Corporate Secretary, called the meeting to order at 9:07 A.M. and presided over the meeting. The Acting Secretary, Atty. Celeste Z. Sioson- Bumatay, recorded the proceedings of the meeting.

**II. PROOF OF NOTICE AND DETERMINATION OF QUORUM**

The Acting Secretary certified that all stockholders of record as of 26 April 2019 have been duly notified of the meeting. She also certified that there was a quorum to transact business for the meeting.

**III. APPROVAL OF MINUTES OF THE PREVIOUS ANNUAL MEETING**

In view of the fact that copies of the minutes of the previous year's annual meeting had already been distributed to all stockholders in attendance, the stockholders, upon motion made and duly seconded, dispensed with the reading of said minutes and approved the same.

**IV. MESSAGE TO STOCKHOLDERS**

The President, Mr. Anthony Charlemagne C. Yu, delivered the Management's Message to Stockholders, as follows:

In marking its 25<sup>th</sup> year this 2019, Empire East has the rare privilege of looking back on its storied past, celebrating vibrant accomplishments in the present, and looking forward to a future filled with opportunities.

The growth of the company through the years has allowed it to achieve scale in its impact. From 1994 to 2018, we completed a total of 110 residential condominium towers, more than 17,000 condominium units, and over 7,700 residential lots. We have served more than 100,000 residents. These are the kinds of numbers that constantly motivate us at Empire East. They visualize for us just how many lives we have transformed—and continue to transform—through our developments.

A snapshot of our 2018 deliverables in terms of the company's sales and construction activities show our continued momentum. Last year alone, we sold a total floor area of about 200,000 square meters across different projects. We also completed a total floor area close to 100,000 square meters. Finally, over 2,700 condominium units were completed by the company last year, spread out across nine residential towers.

Empire East has maintained its leadership in the middle-income market by consistently creating and offering pioneering real estate concepts that benefit the end-users: the Filipinos and their families. These innovations are exemplified by our developments, from our pioneering township in Laguna to our metro-based transport-oriented developments, loft communities, micro-cities and urban resorts. Our property offerings have made the residents' comfort and convenience a true priority, upgrading their experiences in a way that contribute directly to their happiness and well-being.

Of course, the company's strong presence in the market would not have been established without our legacy projects. It was through our first condominium communities—all combining a strategic location with quality and affordability—that we at Empire East discovered what worked for the Filipino homebuyers. Along the way, through constant feedback from and interaction with our customers, we have been able to refine and redefine the spaces we build so that they support and empower the communities within them.

Here are a few highlights from 2018 that showcase the multifaceted character of our brand. Our residential project, The Rochester was recognized at the Outlook Awards with a “Highly Commended” distinction for the “Best Premium Condominium” category. The Rochester is one of Empire East’s urban resort offerings that puts wellness at the center of the community. Meanwhile, as part of the company’s corporate social responsibility program, our employees initiated the construction of a library at New Little Baguio Elementary School in Laguna, which empowers the act of reading as a tool for education. We hope to spearhead even more CSR efforts, as we believe that we are in a distinct position to keep making a difference in people’s lives.

Speaking of making a difference, we made a big move this year to announce a brand-new undertaking: Empire East Highland City. This master-planned 24-hectare township, is set to meet the needs of more Filipino families by bringing them an integrated and interconnected lifestyle—something the company constantly strives to deliver through its developments.

The future is exciting for us at Empire East. We would like to thank everyone who continues to recognize and amplify the value of what we do and support us through our continued evolution.

## V. OPEN FORUM

Below is a summary of the questions raised and answers given during the Open Forum:

**Question:** Hi! Good morning, Sir! I’m Virgilio Valdez from Bulacan. There’s a lot of talk about the stability of our government. Sa nakaraang eleksyon, maraming oposisyong and- dahil lahat ay pro-administration ang nanalo, ibig sabihin nito-ito ba ay nakakabuti or nakakasama sa kumpanya? At gaano ka-stable ang kumpanya considering the political environment natin?

**Answer:** Well, the Philippine economy is very strong. In fact, it is one of the strongest growth rates not only in Asia, but in the world. And, all the forecasts would indicate that this growth can be sustained. As such, we do not think that there is no reason for us to fear when it comes to the stability of the country, just like your company is equally as stable. If you look at the company, it has assets worth P42.6-B; we have trade receivables of P3.6-B which we can collect through time; we have 404-hectares of properties in our land bank and that would last us for the next five to seven years; the company also continues to construct many of our developments. In fact, if you look at the figures, there are 13 towers simultaneously being constructed and are in various stages of completion at the end of December 2018. In 2019, your company has projected to complete seven additional towers, that is about 2,200 units, and also this year, we will commence the construction of five additional towers which is additional 3,000 units. If you look at the reservation sales of the company, you would see that those reservation sales from the projects we sell and the projects that we sell to others, it increases from 19.47-B in 2017 to close to 25-B in 2018, which is a 25% jump. Given these indicators, the company remains really strong and we are very confident that we will be able to sustain this growth in the coming years. So, the short of the long response to you is that we think that the Philippine economy is very strong and we think that the company continues to be very strong within this context.

**Question:** Uh, good morning. I'm Joel Ines from Sta. Rosa, Laguna. Ilang taon na rin ang nakakaraan mula ng nag-develop ang Empire East ng housing project. At ngayon, napakaraming malalaking developer ang active magdevelop sa mga probinsya. My question is: bakit hindi natin sila gayahin? Why not do the same? Considering yung ating Laguna Bel-Air at Sonoma ay naging successful. In fact, nakabili ako ng property ko sa Sonoma at masaya ako dun, and I'm still looking forward na magkaroon ng new development to invest.

**Answer:** Thank you very much for your patronage of our projects! We are always open to developing horizontal projects, the house and lot projects, in Empire East. We have been very successful, as you have mentioned, in the past with Laguna Bel-Air and Sonoma and we welcome the opportunity to have such similar projects in the future. However, it’s always a matter of timing. And for this year, we have decided to launch a very big project and this is the Empire East Highland City. In the years to come, we hope that we will be able to find suitable properties in order for us to replicate our successes in Laguna Bel-Air and Sonoma. Yes, we are continuously looking for horizontal projects or house & lot projects, and we hope that we will be able to replicate what we have done before. Thank you.

**Question:** My name is RJ from New Manila. Na-mention lang kasi yung Empire East Highland City. Matagal ko na kasing nabasa yung announcement niyo regarding acquisition a huge property somewhere in Pasig or Cainta? Now I heard that it sounded like a major project, I think, kung ito na ba yun. So, my question is: have you tested the market yet? Is there a project details regarding this plan?

**Answer:** Yes, yes. As you mentioned, yes, it really took us some time to bring the project Empire East Highland City into the market. The reason for this is because we are dealing with a very big property, it’s a very prime property in the Pasig and Cainta area and we wanted to make sure that it is carefully master-planned. In fact, in the process, we have invited master-planners from the

Philippines and abroad to bid for the design and master-plan of the project. We also have to carefully evaluate all the properties around to see what the best use for the property is. In the end, we have come up with a most beautiful master-plan for this particular property called Empire East Highland City emphasizing that it is a development of Empire East and emphasizing the features of this development. Now, in so far as the details of this project is concern, as mentioned, it is a 25-hectares. It will be developed into a 25-hectare township at the convergence of Pasig City and Cainta. This will be the first elevated city in the Philippines. Everything will be elevated – from the vast sloping gardens of the Highland Park where there will be a church that will seat 500 people, there will also be retail areas, there will be Grand Steps leading to the Highland Mall. That iconic Highland Mall shall be developed by Megaworld Lifestyle Malls. It features about 58,000-square meters of retail area – very high-end shopping, dining, as well as entertainment experience. The project will have about 38 high-rise residential towers, that's the reason why it's considered a very major project for us. In fact, our first high-rise development in the East of Metro Manila and it's going to be our grandest and biggest project to date. The development also boasts of a four to six-lane road leading from Felix Avenue. This very affordable yet what we would like to think Luxurious Uphill Development will be centered also around an exclusive club that will have- by membership alone. We will spend more than P10-B in the next ten years just for this project alone – that's how big the project is. We have- you're asking if we tested, yes, we have tested the market and that's the reason why it took us about five years before we brought it out to the market and the results are overwhelming. We have not officially started selling the project but we have tried to test the market. And as of this date, we have offers to purchase – more than 200 offers already to purchase. We feel that it would be very easy for us to wipe out the tower after tower, once we have launched this. The official launching date will be this July, the time when we celebrate our 25th year anniversary. For those of you who are interested, I think-let me allow me to make a sales pitch: this would be a wonderful project and if you want to invest, this is the time to invest. The price would definitely go up so you want a good investment, this would be a very good investment.

**Question:** Hello, good morning! I'm Vernadette from Caloocan. I'm a broker. First of all, I would like to congratulate Empire East for their 25-year milestone, ano. Especially there was a time where the public thought your group will not survive the Asian Financial Crisis like many other companies. Especially to the key people who helped survive the crisis, still continue to lead this company. Congratulations! So, I would like to ask, may we know if Empire East will be holding a celebration in a grand manner for their 25 years and will it include us the stockholders?

**Answer:** Thank you very much! Yes, we all are what are today because of the people who have worked with us since the time of the Asian Financial Crisis. And we are equally thankful to all of you our stockholders who have continue to reposit their trust and confidence in us. For the 25th year celebration, we have a theme and the theme is Celebrating Unparalleled Communities. The reason for that theme is that we believe that our company is instrumental in providing quality homes for its people and we provided an unparalleled and incomparable lifestyle experience to many aspiring Filipino families. Now, as we celebrate this year, it is our desire to uphold the commitment that we have for our buyers having this unparalleled community and that's the reason why we deemed it proper that on our 25th year as we celebrate this we will give you another unparalleled community which is the Empire East Highland City. Now in so far as modest celebration is concern, our celebration in Empire East is always in modest when we celebrate it with our people and our stakeholders. The main focus, we have decided in group, of this year's celebration is more on our Corporate Social Responsibility efforts. We have decided that we will celebrate by giving back to the community that has supported as for this year's and how do we do that? It is our decision that we will held 25 Corporate Social Responsibility initiatives- pocket initiatives in the different parts of the country. Now, none of this CSR activities that we held will involve major expenditure from the corporation. All the major expenditures will be born from the officers, employees, and sales staff of the corporation. The reason why we're doing this is because we believe that it is our way of showing how grateful we are for the company who sustained us and we would like also to be able to use our own resources this time to project the image of the company and to be able to reach out and give back to the community that has given us so much to our company. Now, these 25 CSR projects will involve the sick, the elderly, the students, the youth, and we will have some environmental projects. We believe that the- regarding your question if there will be a grand celebration with the stockholders. We will not have that because we believe that as our stockholders, you will share with us our vision as we celebrate it in a very modest manner and instead, extend our assistance in a community at large, in order for us, for you our shareholders and ourselves to make it a more inclusive community. That's how we're going to celebrate our 25th year.

**Question:** Hello, ladies and gentlemen. Good morning. There are many Chinese nationals purchasing condominium units here in Manila Bay, as well as in Makati central business district. Sir, this is my question, in Empire East nakakaexperience po ba kayo ng mga problems as well as mga concerns tulad ng naexperience po ng other developers sa countryside ngayon especially here in the Philippines?

**Answer:** Yes, we are aware that there is a surge of mainland Chinese buyers in the local real estate industry and there are also many Chinese nationals who are leasing condominium units particularly in the

Manila Bay area and the Makati CBD. In the case of Empire East, we do not have any project in the Manila Bay area. In the Makati CBD, we have some Chinese nationals who are leasing condominiums in our San Lorenzo Place but the numbers are not very substantial. This is primarily due to the fact that the in Empire East our market is really the broad middle-income end-user market and as such, our buyers occupy their own units and not too many of them lease them out to other people. For the pre-selling projects, on the other hand, we do have buyers from different nationalities, Chinese included, and on our end we just want to make sure that we follow the nationality threshold that is provided by our law. Now, regarding your query on whether or not we face problems because of the influx of foreign nationals, we believe that the only challenge is that of property management. Since some of these foreign nationals may sometimes have their own requirements and practices. In this aspect, we believe that what we need to do is continue to strengthen our property management function in order for us to address all the needs of our residents.

**Question:** So, good morning. My name is Bong Abadelo from Caloocan. I work in Makati. So, everyday ang daanan ko kasi EDSA. So, every time na dumadaan ng EDSA ang lagi kong nakikita ay yung mga billboards. Before kasi napaka-aggressive ng company niyo in putting billboards pero right now parang wala akong nakikita. Do you have any plans in putting it back or kung ano pa yung plano ng company niyo?

**Answer:** Yes, we have utilized all these mini billboards along major thoroughfares for a few years. In fact, we are the first company to do this following what the consumer brands would do. And that have helped in creating a brand awareness for us. As to why we have withdrawn some of these billboards in some of the ad spaces, the reason is because the market continues to change. More and more, we see that advertising is going digital. And because of that we have decided to allocate our marketing funds more in areas where it generates more and faster results and that is in the digital world. Now, we have retained some of these ads along major thoroughfares where there is really high visibility and which is near to our project such as in Covent Garden, Paddington Place, Little Baguio Terraces, so on and so forth. So, in short, yes, we have shifted to digital marketing but we have retained some of these mini billboards that you have grown accustomed to.

## **VI. ENGAGEMENT OF EXTERNAL AUDITOR**

The Presiding Officer informed the stockholders that the Audit Committee of the Board of Directors has recommended to the Board the engagement of Punongbayan & Araullo as external auditors of the Company for the audit of the its financial statements for the year ending 31 December 2019, and that the Board has approved such engagement.

Upon motion made and duly seconded, the stockholders approved the following resolution:

“RESOLVED, that the engagement of Punongbayan & Araullo as external auditors of the Company for the audit of the its financial statements for the year ending 31 December 2019, be approved.”

## **VII. RATIFICATION OF ACTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS, EXECUTIVE COMMITTEE AND MANAGEMENT**

The Presiding Officer proposed the ratification of all acts of the Board of Directors, Board Executive Committee and Management, and all resolutions adopted by them during the period covering 1 January 2018 to 31 December 2018.

Upon motion made and duly seconded, the stockholders approved the following resolution:

“RESOLVED, that all acts of the Company's Board of Directors, Board Executive Committee and Management, and all resolutions adopted by them during the period covering 1 January 2018 to 31 December 2018, be ratified.”

## **VIII. ELECTION OF DIRECTORS**

The Chairman of the Meeting informed the stockholders that the Company would be electing seven (7) directors. He added that pursuant to the Securities Regulation Code, SRC Rule 38 and in relation to the SEC Memorandum Circular No. 6, Series of 2009 and its Revised Manual of Corporate Governance, the Company is required to have at least two (2) independent directors out of seven directors.

Mr. Ricardo B. Gregorio, on behalf of the Corporate Governance Committee, presented the Final List of Nominees to the Board of Directors, as follows: Mr. Cresencio P. Aquino and Mr. Alejo L. Villanueva, Jr. for independent directors, and Andrew L. Tan, Anthony Charlemagne C. Yu, Enrique Santos L. Sy, Kevin Andrew L. Tan and Evelyn G. Cacho for regular directors.

It was then moved and duly seconded that the nominees for independent directors, namely Cresencio P. Aquino and Alejo L. Villanueva, Jr. be elected as independent directors of the Company, and that Andrew L. Tan, Anthony Charlemagne C. Yu, Enrique Santos L. Sy, Kevin Andrew L. Tan and Evelyn G. Cacho, be elected as regular directors of the Company.

Since there were only seven nominees to the Board and considering the absence of objections, all the seven (7) nominees were declared elected to the Board of Directors.

**IX. ADJOURNMENT**

There being no other matters to discuss, the meeting was adjourned at 09:35 A.M.

**CERTIFIED TRUE & CORRECT:**

**(SGD)**  
**CELESTE Z. SIOSON- BUMATAY**  
Acting Secretary

**ATTESTED BY:**

**(SGD)**  
**ANTHONY CHARLEMAGNE C. YU**  
President

**(SGD)**  
**DENNIS E. EDAÑO**  
Presiding Officer