



Republic of the Philippines  
**SECURITIES AND EXCHANGE COMMISSION**  
 EDSA, Mandaluyong, Metro Manila

**CERTIFICATE OF FILING OF  
 CERTIFICATE OF INCREASE OF CAPITAL STOCK**

S.E.C. Reg. No. AS094-006430

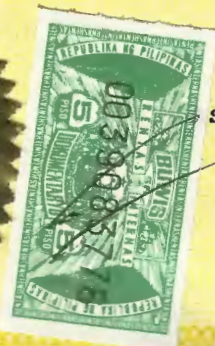
TO ALL TO WHOM THESE PRESENTS MAY COME, GREETINGS:

THIS IS TO CERTIFY that the certificate of increase of capital stock of the

**EMPIRE EAST LAND HOLDINGS, INC.**

copy annexed, from P 1,200,000,000.00, divided into 1,200,000,000 of Common  
 as shares of the par value of P 1.00 each to P 5,000,000,000.00  
 divided into 3,000,000,000 of common & 2,000,000,000 shares of the par value of P .1.00  
 of preferred  
 each, approved by a vote of the shareholders owning or representing at least two-  
 thirds of the outstanding capital stock at a meeting held on August 2, 1995,  
 certified to by the Chairman and the Secretary of the Stockholders' meeting,  
 and a majority of the Board of Directors of the corporation, was approved by this Office  
 on the 29th day of August, 1995 in accordance with  
 the provision of Section 38 of the Corporation Code of the Philippines, Batas  
 Pambansa Blg. 68, approved on May 1, 1980, and attached to the other papers pertain-  
 ing to said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of  
 this Commission to be affixed at Mandaluyong, Metro-Manila, Philippines this 29th day  
 of August, in the year of Our Lord nineteen hundred and ninety-  
 five



*Eloisa C. Gloria*  
 FE ELOISA C. GLORIA  
 Associate Commissioner

RECORDS DIV.  
AUG 22 P 5: 10

**CERTIFICATE OF INCREASE  
OF THE AUTHORIZED CAPITAL STOCK OF  
EMPIRE EAST LAND HOLDINGS, INC.**

KNOW ALL MEN BY THESE PRESENTS:

That WE, the undersigned Chairman, Secretary, and at least a majority of the Members of the Board of Directors of **EMPIRE EAST LAND HOLDINGS, INC.**, a domestic corporation with office and business address at the 11th Floor, SolidBank Bldg., 777 Paseo de Roxas, Makati City, Metro Manila do hereby certify to the following:

(1) That at the special meeting of the board of directors of the Corporation held on August 2, 1995 at its principal office and in accordance with Section 38 of the Corporation Code (B.P. Blg. 68) at which meeting a majority of the directors were present by unanimous vote, approved the increase of the Corporation's authorized capital stock from the present One Billion Two Hundred Million Pesos (P1,200,000,000.00), Philippine currency, divided into One Billion Two Hundred Million (1,200,000,000) shares of common stock with a par value of One Peso (P1.00) per share, to FIVE BILLION PESOS (P5,000,000,000.00), Philippine currency, divided into TWO BILLION (2,000,000,000) shares of CONVERTIBLE PREFERRED STOCK and THREE BILLION (3,000,000,000) shares of COMMON STOCK, both with a par value of One Peso (P1.00) per share.

The shares of CONVERTIBLE PREFERRED STOCK shall be issued subject to the following terms and conditions:

1. Dividends. Shares of CONVERTIBLE PREFERRED STOCK shall be entitled to cumulative dividends of any kind at the rate applicable to the shares of COMMON STOCK as long as said shares are outstanding. Such dividend shall be paid before any dividends are paid to the holders of shares of COMMON STOCK of the Corporation using the formula applicable in the exercise of the conversion rights set forth in paragraph 2 hereof.

Stock dividends declared on the shares of CONVERTIBLE PREFERRED STOCK prior to their conversion into shares of COMMON STOCK shall be payable in the form of shares of COMMON STOCK. The percentage of such dividends shall be applied on the shares of CONVERTIBLE PREFERRED STOCK, the resulting number of shares of which shall be divided by nine (9) to arrive at the equivalent number of shares of COMMON STOCK, cash dividends or such other dividend due on the shares of CONVERTIBLE PREFERRED STOCK.

Dividend declared on the shares of CONVERTIBLE PREFERRED STOCK shall be participating.

2. Conversion. Shares of CONVERTIBLE PREFERRED STOCK, at the option of the holders thereof, shall be convertible into shares of COMMON STOCK of the Corporation on the basis of one (1) share of COMMON STOCK for every nine (9) shares of CONVERTIBLE PREFERRED STOCK.

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The holders of shares of CONVERTIBLE PREFERRED STOCK may exercise their conversion rights within forty-five (45) days prior to the start of the offering period of any initial public offering of the Corporation's shares of COMMON STOCK or within forty-five (45) days prior to the end of the second anniversary date of issuance of the shares of CONVERTIBLE PREFERRED STOCK.

After conversion into COMMON STOCK, the converted shares may not be sold or offered for sale within such period as may be required by the Philippine Stock Exchange, if any, following the first day of trading in the Corporation's shares of COMMON STOCK at the Philippine Stock Exchange pursuant to any initial public offering of these shares. The appropriate stock certificates covering the shares of COMMON STOCK shall be issued and delivered to the holders of the shares of the CONVERTIBLE PREFERRED STOCK within a period of fourteen (14) days from receipt by the Corporation from the holders of the shares of CONVERTIBLE PREFERRED STOCK of a notice of conversion of the said shares into shares of COMMON STOCK.

3. Voting Rights. Holders of shares of CONVERTIBLE PREFERRED STOCK shall be entitled to one (1) vote for every nine (9) shares of CONVERTIBLE PREFERRED STOCK.

4. Liquidation Rights. Shares of CONVERTIBLE PREFERRED STOCK shall have preference over holders of shares of COMMON STOCK in the event of voluntary or involuntary liquidation.

5. Other Rights and Privileges. Except as otherwise expressly provided herein, the shares of CONVERTIBLE PREFERRED STOCK shall have the same rights and privileges as the shares of COMMON STOCK of the Corporation.

6. Fractional Shares. No fraction of a share of COMMON STOCK shall be issued upon conversion of shares of CONVERTIBLE PREFERRED STOCK. If fractions would result as a consequence of the application of the formula mentioned in paragraphs 1 and 2 hereof, such fractions would be rounded off applying the standard mathematical formula for rounding off of numbers.

(2) That the increase and the foregoing features of the shares of CONVERTIBLE PREFERRED STOCK were likewise approved by the stockholders owning at least TWO-THIRDS (2/3) of the entire subscribed and outstanding capital stock at a special meeting duly called for the purpose held on August 2, 1995 at the principal office and business address of the Corporation.

(3) That at the time of the above-mentioned special meeting, the stockholders listed in Annex A held the number of shares (with a par value of ₱1.00 each share) indicated after their respective names.

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 A checkmark.  
 A signature.  
 A signature.

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(4) That of the increase in the capital stock of THREE BILLION EIGHT HUNDRED MILLION PESOS (₱3,800,000,000.00), Philippine currency, at least 52.63% thereof, or the amount of TWO BILLION PESOS (₱2,000,000,000.00), Philippine currency, worth of shares of CONVERTIBLE PREFERRED STOCK have been actually subscribed and fully paid for by the subscribers listed in Annex B.

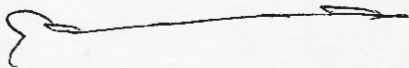
(5) That the actual indebtedness of the Corporation as of August 2, 1995 amount to ₱ 2,153,746,225.77.

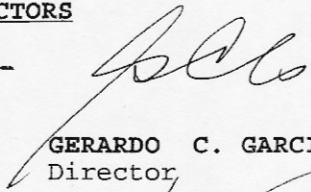
(6) That the Corporation has no bonded indebtedness as of August 2, 1995.

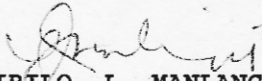
(7) That the requirements of Sections 16 and 38 of the Corporation Code (B.P. Blg. 68) have been complied with.

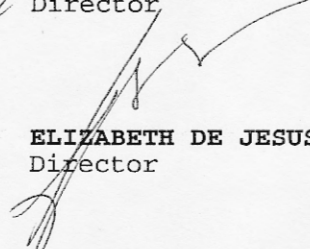
IN WITNESS WHEREOF, we have hereunto set our hands this 2nd day of August 1995 at Makati City, Metro Manila, Philippines.

BOARD OF DIRECTORS

  
ANDREW L. TAN  
Director

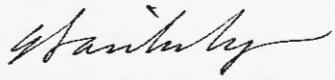
  
GERARDO C. GARCIA  
Director


  
CIRILO L. MANLANGIT  
Director

  
ELIZABETH DE JESUS  
Director

KATHERINE L. TAN  
Director

COUNTERSIGNED BY:

  
ENRIQUE SANTOS L. SY  
Corporate Secretary

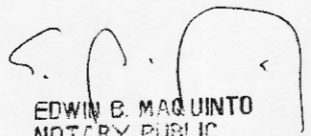
  
ANDREW L. TAN  
Chairman

Republic of the Philippines )  
Makati City, Metro Manila ) S.S.

**SUBSCRIBED AND SWORN** to before me this AUG 23 1995 day of August 1995 at Makati City, Metro Manila, Philippines affiants exhibiting to me their Community Tax Certificates as follows

<u>Name</u>	<u>Comm. Tax Cert No.</u>	<u>Date/Place Issued</u>
Andred L. Tan	8043871	1-24-95/San Juan, M.M.
Cirilo L. Manlangit	9559658-A	1-17-95/Mandaluyong, M.M.
Katherine L. Tan	8043870	1-24-95/San Juan
Gerardo C. Garcia	699862-C	4-4-95/Paranaque
Zenaida M. Marquez	667651	2-21-95/Paranaque
Edwin C. Lim	8913529-C	3-28-95/Makati City
Enrique Santos L. Sy	5609372-C	2-13-95/Makati City

*Spanting*

  
 EDWIN B. MAQUINTO  
 NOTARY PUBLIC  
 UNTIL 31 DECEMBER 1996  
 PTR # 2492521. 1-5-95. MKTI  
 IBP # 381664. 1-5-95. PASIG

Doc. No. 320 ;  
Page No. 65 ;  
Book No. DVI ;  
Series of 1995.


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TREASURER'S AFFIDAVIT

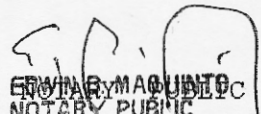
05 AUG 24 12:01  
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I, ANDREW L. TAN, of legal age, Filipino, being the duly-qualified Treasurer of EMPIRE EAST LAND HOLDINGS, INC., a domestic corporation with principal office and business address at the 11th Floor, SolidBank Bldg., 777 Paseo de Roxas, Makati City, Metro Manila, Philippines, and to act as such until my successor has been duly elected and qualified in accordance with the By-Laws of the Corporation, do hereby certify under oath that out of the P=3,800,000,000.00 increase in the authorized capital stock of the Corporation, at least 25% or P2,000,000,000.00 thereof has been subscribed, and that at least 25% of such subscription has been paid and received by me in cash and by way of offsetting of liabilities in the amount of not less than P=5,000.00 in accordance with the Corporation Code.

  
ANDREW L. TAN  
Treasurer

Republic of the Philippines )  
MAKATI, METRO MANILA ) S.S.

SUBSCRIBED AND SWORN to before me this AUG 22 1995 of August 1995 at MAKATI, METRO MANILA, Philippines, affiant exhibiting to me his Community Tax Certificate No. 8043871 issued on 1-24-95, 1995 at SAN JUAN, M.M., Philippines.

  
EDWAR MACUINTO  
NOTARY PUBLIC  
UNTIL 31 DECEMBER 1996  
PTR # 2492524. 1-5-95. MKTI  
IBP # 381664: 1-5-95. PASIG

Doc. No. 317 ;  
Page No. 65 ;  
Book No. VIII ;  
Series of 1995

SAR20

## SUBSCRIPTION AGREEMENT

This Subscription Agreement is made and entered into on this 16th day of August 1995, by and between:

**EMPIRE EAST LAND HOLDINGS, INC.**, a corporation organized and existing under Philippine laws, with principal office at the 11th Floor, SolidBank Building, 777 Paseo de Roxas, Makati City, Metro Manila, represented herein by its President and Treasurer, Mr. Andrew L. Tan (hereinafter referred to as the "Company");

- and -

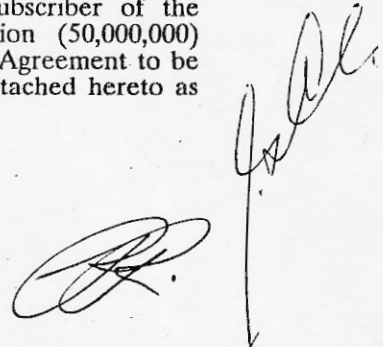
**PHILIPPINE COMMERCIAL CAPITAL, INC. - Trust Department**, a corporation organized and existing under Philippine laws, with principal office at the Penthouse, PCCI Building, 118 Alfaro Street, Salcedo Village, Makati City, Metro Manila, represented herein by its President, Mr. Federico C. Galang, for various trust accounts (hereinafter referred to as the "Subscriber");

WHEREAS, the Company will amend its articles of incorporation to increase its authorized capital stock and to create 2,000,000,000 shares of Convertible Preferred Stock (the "Preferred Shares");

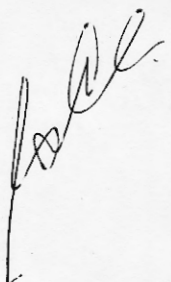
WHEREAS, the Company has opened for subscription the Preferred Shares and the Subscriber desires to subscribe to certain number thereof;

NOW, THEREFORE, the parties hereby agree as follows:

1. Subscription. The Subscriber hereby subscribes to Fifty Hundred Million (50,000,000) Preferred Shares at a subscription price of One Peso (P1.00) per share which is the par value of each Preferred Share or an aggregate amount of Fifty Million Pesos (P50,000,000.00) ("Subscription Price").
2. Escrow of Subscription Price. Within six (6) days from the signing of this Agreement or on or before August 22, 1995, the Subscriber shall deposit in escrow with the escrow agent acceptable to the parties the amount of the Subscription Price. The Subscription Price shall be released to the Company upon (i) the approval by the Securities and Exchange Commission of the amendment of the Company's articles of incorporation to increase its authorized capital stock, to create the Preferred Shares, and to increase the Company's directors to eleven (11); and (ii) the issuance and delivery to the Subscriber of the stock certificates corresponding to the Fifty Million (50,000,000) Preferred Shares, and in accordance with the Escrow Agreement to be executed by the parties in the form and substance attached hereto as Annex B, which forms an integral part hereof.



3. Rights, Preferences, Terms, and Conditions of the Preferred Shares.  
The rights, preferences and terms and conditions pertinent to the Preferred Shares are as set out in Annex A hereof and the Company's articles of incorporation as amended.
4. Covenants, Undertakings, Representations and Warranties.
  - (a) The Company hereby covenants that in the event of an initial public offering of the shares of COMMON STOCK of the Company, the offering price of such shares shall not be less than Nine Pesos (₱9.00) for each share. Any price lower than this amount shall be subject to the prior approval of the holders of the majority of the Preferred Shares at the time that the said price has to be decided on. For purpose of this paragraph, majority of the Preferred Shares shall mean fifty percent (50%) plus one (1) of these shares outstanding at the time that the said price has to be decided on.
  - (b) The Subscriber shall agree to the issuance of up to Three Hundred Seventy Million (370,000,000) additional shares of COMMON STOCK of the Company at an issue price of at least Nine Pesos (₱9.00) per share for purposes of listing with the Philippine Stock Exchange. Any price lower than this amount shall be subject to the prior approval of the holders of the majority of the Preferred Shares at the time that the said price has to be decided on. For purpose of this paragraph, majority of the Preferred Shares shall mean fifty percent (50%) plus one (1) of these shares outstanding at the time that the said price has to be decided on.
  - (c) The Company shall amend its articles of incorporation to increase the number of its directors to eleven (11) as to entitle the holders of Preferred Shares to elect three (3) directors.
  - (d) The Company undertakes to list its shares of COMMON STOCK with the Philippine Stock Exchange on or before two (2) years from the date of issuance of the Preferred Shares.
  - (e) The Company undertakes to declare at least 50% stock dividend on or about March 1996 and at least 60% stock dividend on or about March 1997.
  - (f) The parties undertake to execute and deliver such other instruments and documents, including but not limited to the Escrow Agreement, as a party may reasonably request to implement the transaction contemplated by this Agreement.
  - (g) The parties represent and warrant that: (i) they have the power to enter into this Agreement or any document or agreement executed in connection herewith and have taken all necessary actions and have obtained all necessary consents, approvals and authorizations for the execution and delivery of this Agreement; (ii) this Agreement or any document or agreement executed in connection herewith constitutes a valid and binding obligation of the parties, enforceable in accordance with its terms; and (iii) the execution and delivery by the parties of this Agreement or any document or agreement executed in connection herewith will not violate in any respect any provision of, or result in the breach of or constitute a default under (1) any law, rule, regulation, order, writ, judgment, injunction, decree, determination and award of any authority, agency or court presently in effect having application to either or both of the





parties, (2) the articles of incorporation and by-laws of the parties or (3) any other agreements, mortgage, contract or other undertaking or instrument to which either of the parties is a party or which is binding upon either of them.

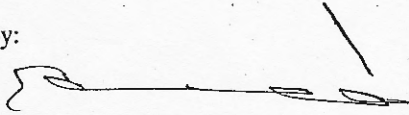
- 5. Amendment; Assignment. This Agreement shall not be amended, altered or modified in any manner except by an instrument in writing signed by the parties. This Agreement shall not be assigned by any party without the prior written approval of the other party.
- 6. Severability. If any one or more of the provisions contained in this Agreement or any document or agreement executed in connection herewith shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired.
- 7. Cumulative Remedies. The failure or delay on the part of any party to require performance of any provision of this Agreement shall not affect the right to require performance of such provision, unless and until such performance has been waived in writing by such party. Each and every right granted to the parties hereunder or under any other document or instrument delivered hereunder or in connection therewith, or allowed at law or in equity, shall be cumulative and may be exercised in part or in whole from time to time.

IN WITNESS WHEREOF, the parties have signed this Agreement on the date first written above.

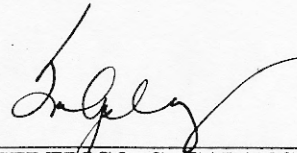
**EMPIRE EAST LAND HOLDINGS, INC.**

**PHILIPPINE COMMERCIAL CAPITAL, INC.  
- Trust Department**

By:



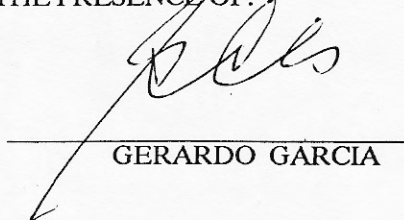
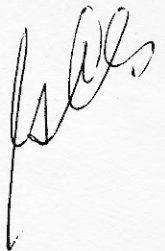
By:



Name: **ANDREW L. TAN**  
Title: **President and Treasurer**

Name: **FEDERICO C. GALANG**  
Title: **President**

SIGNED IN THE PRESENCE OF:

  
\_\_\_\_\_  
"O  
\_\_\_\_\_  
GERARDO GARCIA

ACKNOWLEDGMENT

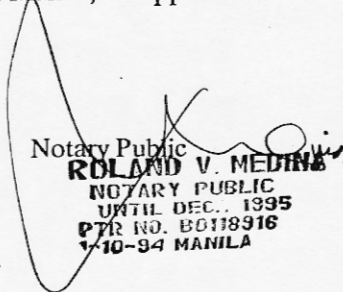
REPUBLIC OF THE PHILIPPINES)  
PASAY CITY, METRO MANILA, S.S.

BEFORE ME, a Notary Public for and in Pasay City, Metro Manila, Philippines personally appeared:

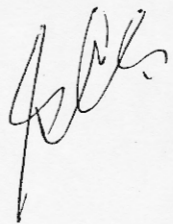
<u>Name</u>	<u>Comm. Tax Cert./ Passport Number</u>	<u>Date/Place Issued</u>
Andrew L. Tan, in his capacity as President and Treasurer of Empire East Land Holdings, Inc.; and	8043871	1/2/4/95; San Juan, M.M
Federico C. Galang, in his capacity as President of Philippine Commercial Capital, Inc.	8890182	3/9/95; Makati, M.M.

known to me and by me known to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their own free and voluntary act and deed, and the free and voluntary act and deed of the corporations they respectively represent.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on this 16th day of August, 1995 at Pasay City, Metro Manila, Philippines.

  
 Notary Public  
**ROLAND V. MEDINA**  
 NOTARY PUBLIC  
 UNTIL DEC. 1995  
 PTR NO. 8018916  
 1-10-94 MANILA

Doc. No. 356  
Page No. 78  
Book No. 1  
Series of 1995.



**SUBSCRIBERS TO THE  
INCREASE IN THE AUTHORIZED CAPITAL STOCK  
OF EMPIRE EAST LAND HOLDINGS, INC.**

<u>Subscriber</u>	<u>No. of Shares</u> (Preferred)	<u>Amount of</u> <u>Subscription at P 1.00</u> <u>par value per share</u>
1. PNB Trust Banking Group	135,000,000	P= 135,000,000.00
2. Philippine National Bank	266,000,000	266,000,000.00
3. PNB Provident Fund Office	45,000,000	45,000,000.00
4. PCCI Trust Account No. T-95-1070	54,000,000	54,000,000.00
5. Philippine Commercial Capital Inc.-Trust Dept. for various Trust Accounts	300,000,000	300,000,000.00
6. AB Capital and Investment Corp. - Trust and Investment Division	40,000,000	40,000,000.00
7. Asianbank Corporation	160,000,000	160,000,000.00
8. Oversea-Chinese Bank Corp. - Ltd.	834,800,000	834,800,000.00
9. Government Service Insurance System	140,000,000	140,000,000.00
10. Belson-Prime East Capital Asia, Inc.	<u>25,200,000</u>	<u>25,200,000.00</u>
<b>TOTAL</b>	<b>2,000,000,000</b>	<b>P=2,000,000,000.00</b>

Makati City, August 2, 1995.

Certified Correct:



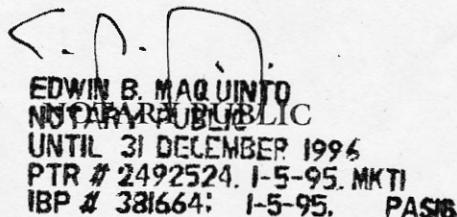
ANDREW L. TAN

*Treasurer*

Republic of the Philippines)  
**MAKATI, METRO MANILA** ) S.S.

SUBSCRIBED AND SWORN to before me a Notary Public for and in **MAKATI, METRO MANILA** this 24 th day of August 1995, affiant exhibiting to me his Comm. Tax Cert. No. 8043871 issued on January 24, 1995 at San Juan.

Doc. No. 325;  
Page No. 66;  
Book No. 177;  
Series of 1995.



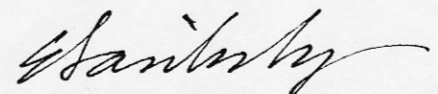
EDWIN B. MAQUINTO  
NOTARY PUBLIC  
UNTIL 31 DECEMBER 1996  
PTR # 2492524. 1-5-95. MKTI  
IBP # 381664; 1-5-95. PASIG

**LIST OF STOCKHOLDERS  
OF EMPIRE EAST LAND HOLDINGS, INC.  
AS OF AUGUST 2, 1995**

<i>Subscriber</i>	<i>No. of Shares</i>
1. Megaworld Properties & Holdings, Inc.	767,999,985
2. Andrew L. Tan	1
3. Katherine L. Tan	1
4. Gerardo C. Garcia	1
5. Cirilo L. Manlangit	1
6. Elizabeth de Jesus	1
7. PNB Trust Banking Group	1
8. Philippine National Bank	1
9. PNB Provident Fund Office	1
10. PCCI Trust Account No. T-95-1070	1
11. Philippine Commercial Capital Inc.-Trust Dept. for various Trust Accounts	1
12. AB Capital and Investment Corp. - Trust and Investment Division	1
13. Asianbank Corporation	1
14. Oversea-Chinese Bank Corp. - Ltd.	1
15. Government Service Insurance System	1
16. Belson-Prime East Capital Asia, Inc.	1
<b>TOTAL</b>	<b>768,000,000</b>

Makati City, August 2, 1995.

Certified Correct:



**ENRIQUE SANTOS L. SY**  
Corporate Secretary