

**MINUTES OF THE ANNUAL MEETING OF STOCKHOLDERS OF  
SUNTRUST HOME DEVELOPERS, INC.**

Held on 29 October 2019

at the Eastwood Richmond Hotel, Eastwood City, Bagumbayan,  
Quezon City, Metro Manila, Philippines

Present:

Mr. Ferdinand B. Masi	-	Chairman and President
Ms. Josephine Marie R. Salazar	-	Director
Mr. Alejo L. Villanueva, Jr.	-	Independent Director
Mr. Eugene B. Reducindo	-	Independent Director
Mr. Rolando D. Siatela	-	Corporate Secretary

Also Present:

Atty. Maria Carla T. Uykim	-	Assistant Corporate Secretary
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### **I. CALL TO ORDER**

The Chairman and President, Mr. FERDINAND B. MASI, called the meeting to order at 9:07 A.M. and presided over the same.

### **II. CERTIFICATION OF NOTICE AND QUORUM**

The Corporate Secretary, Mr. ROLANDO D. SIATELA, informed the body that, based on the certification of the Corporation's stock transfer agent, all notices of the Annual Meeting had been sent to all stockholders of the Corporation as of 01 October 2019, the record date of the Annual Meeting. The Corporate Secretary likewise certified that there existed a quorum for the transaction of business for the Annual Meeting, there being present in person or by proxy, as of 9:00 a.m., stockholders of the Corporation representing 81.25% of the subscribed and outstanding capital stock of the Corporation.

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

Since copies of the minutes of the Annual Stockholders' Meeting held last 30 October 2018 had earlier been furnished to all stockholders in attendance, upon motion made and duly seconded, the reading of the said Minutes was dispensed with and the same was approved.

### **IV. REPORT OF MANAGEMENT**

Good morning. On behalf of your management, I am pleased to report that total revenues of the Company improved to 655.1 Million Pesos, registering a 22% growth year-on-year, while net profit soared to 103.9 Million Pesos (including non-recurring gain of 65.4 Million Pesos) from previous year's 61.7 Million Pesos, exhibiting an increase of about 68%.

In 2019, the second quarter ended with total revenues of 296.3 Million Pesos, representing an increase of 27.2 Million Pesos from the same period last year, while net profit improved to 26.5 Million Pesos.

First Oceanic Property Management, Inc. or FOPM, which is engaged in property management of residential and office buildings and private estates, remained the primary source of revenues through its management fees.

Over the last 12 months, an additional of 8 properties were given to FOPM, increasing its portfolio from 128 to 136 Managed Properties. Residential and BPO-Office portfolio expansions in Metro Manila to South (Las Piñas and Southwoods) and Vis-Min Regions from Cebu and Iloilo have now been supplemented by new properties in Davao and Bacolod.

To ensure the continued reliability and delivery of its service values to its ever-expanding portfolio of prestigious accounts and assets, FOPM has completed the roll-out and application of its Property Management Operating System in all of its managed properties. Likewise, FOPM just recently completed the testing of its Enterprise Management Platform, now dubbed iFAE or Integrated FOPM Automated Experience, and this is now beginning rollout to selected properties.

Furthering its commitment to enhance the "customer experience" and its Strategic Asset Management Program, FOPM has initiated its "Ageing Gracefully" Program which is designed to provide comprehensive long-term financial planning for the assets of its customers. This program is projected to positively impact the short, medium, and long-term operability of fixed assets, equipment, and amenities, thereby increasing operational reliability and resulting in increased asset-value for its customers.

This year, the Company will be expanding its capital base as it shifts its focus into tourism development. We believe that the tourism sector, which has seen significant growth in recent years, will continue to show sustainable growth and attract more investments, which will be able to drive more growth to the Company.

I am happy to announce that, finally, we have a new investor. I know some of you may have been waiting long for this. This investor now owns 51% of the Company.

Our new investor is Fortune Noble Limited, which is a wholly-owned subsidiary of Suncity Group Holdings Limited, a listed company on the Hong Kong Stock Exchange.

The Suncity Group is known to have extensive experience in leisure and entertainment business, and is actively seeking investment opportunities in integrated resort projects worldwide, including Cambodia, Philippines, Myanmar, South Korea, Japan, Russia and Vietnam. Other than investment in integrated resorts, the Suncity Group is also engaged in integrated resort consultancy services, as well as travel related products.

Fortune Noble Limited, together with Megaworld, have subscribed to 5 billion shares from an increase in capital stock of the Company.

I would like to take this opportunity to once again thank you, our dear shareholders, for your unwavering trust and support all these years. Thank you.

#### **V. RATIFICATION OF ACTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS, BOARD COMMITTEES AND OFFICERS**

Upon motion made and duly seconded, the stockholders approved a resolution ratifying all acts and resolutions of the Board of Directors, Board Committees and Officers of the Corporation during the period up to the date of this meeting.

The stockholders also submitted for ratification all such acts and resolutions which were duly adopted in the ordinary course of business, including the previous approval of the increase of the Corporation's Authorized Capital Stock from Three Billion Pesos to Twenty Three Billion Pesos, by the Board of Directors on 23 September 2014 and the stockholders representing at least two-thirds (2/3) of its outstanding capital stock on 18 November 2014.

#### **VI. ELECTION OF DIRECTORS**

The following were nominated to the Board of Directors for the current year 2019: Ferdinand B. Masi, Josephine Marie R. Salazar, Neoli Mae L. Kho, Joey I. Villafuerte and Antonio C. Pacis for Regular Directors and Eugenio B. Reducindo and Alejo L. Villanueva, Jr. for Independent Directors.

Upon motion made and duly seconded, the Presiding Officer declared that since there were only seven nominees to the Board, all seven nominees were elected as directors.

#### **VII. APPOINTMENT OF EXTERNAL AUDITORS**





Upon motion made and duly seconded, the stockholders approved the recommendation of the Audit Committee and the Board of Directors of the Corporation on the appointment of Punongbayan and Araullo as the external auditors of the Corporation's financial statements for the year ending December 31, 2019.

#### VIII. OTHER MATTERS

Stockholder: Who is fortune noble? Thank you.

Mr. Masi: Fortune noble this is a wholly owned subsidiary of Suncity Group Holdings Limited. This is a listed company in Hongkong Stock Exchange. Suncity Group is known to have extensive experience in the leisure entertainment business, and is actively seeking in investments opportunities in many parts of the world, as I've mentioned in my earlier report; in Cambodia, Philippines, Myanmar, South Korea, Japan, Russia, and Vietnam. In addition, the Suncity Group is also engaged in integrated resort consultancy services as well as travel related products and services

Stockholder: Good morning. How will this business shift benefit Suntrust? Thank you.

Mr. Masi: Obviously because of the bigger Capital now, we could participate in the recent moving business now in the Tourism sector.

Stockholder: When Suncity Group intended to acquire your Company, I presumed they have performed Due diligence study before undergoing the process. Now, my question is, why is there a discrepancy in the equity in our equity, substantial increase in our Capital equity? When I examined it, I saw that it was because of the re-evaluation reserves which increased tremendously. Why is there a need for this increase when we should be adopting the historical cost method of accounting? Have Suncity Group looked into this? Thank you.

Mr. Masi: I believe you have a very good eyes, Sir. But as you have said, Suncity made this Due diligence so I would not like to speculate on their behalf. It's their call, Sir. It's their decisions. And we're fortunate that Suncity chosen Suntrust Home Developers, and we Shareholders of this Company, should be very grateful. Thank you.

#### IX. ADJOURNMENT

The meeting was adjourned at 9:25 A.M.

PREPARED BY:



**ROLANDO D. SIATELA**  
Corporate Secretary

NOTED BY:



**FERDINAND B. MASI**  
Chairman and President