

MINUTES OF THE ANNUAL MEETING OF THE  
STOCKHOLDERS OF

**SUNTRUST HOME DEVELOPERS, INC.**

On 27 October 2020  
(via Remote Communication)

**DIRECTORS PRESENT:**

<b>FERDINAND B. MASI</b>	Chairman of the Board President
<b>NEOLI MAE L. KHO</b>	Director Treasurer
<b>JOSEPHINE MARIE R. SALAZAR</b>	Director
<b>JOEY I. VILLAFUERTE</b>	Director
<b>ALEJO L. VILLANUEVA, JR.</b>	Independent Director
<b>EUGENIO B. REDUCINDO</b>	Independent Director

**ALSO PRESENT:**

<b>MARIA CARLA T. UYKIM</b>	Assistant Corporate Secretary Assistant Corporate Information Officer
<b>ALDEE CELIS</b>	Financial Controller

Stockholders present in person or  
represented by proxy 6,789,077,165 shares

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**1. Call to Order**

The meeting opened at 9:00 a.m., with an invocation followed by the Philippine National Anthem. The host then acknowledged the presence of all directors and key officers of **Suntrust Home Developers, Inc.** (the **Company**), with certain directors and officers, including the Chairman and Presiding Officer, attending the meeting from Taguig City and some directors joining remotely.

Mr. Ferdinand B. Masi, Chairman of the Board, welcomed stockholders and guests to the first ever virtual Annual Stockholders' Meeting of the Company, streaming live via Zoom Webinar. The Chairman thanked the stockholders for joining the meeting.

The Chairman then called the meeting to order. Atty. Maria Carla T. Uykim, Assistant Corporate Secretary, recorded the minutes of meeting.

## **2. Certification of Notice and Quorum**

Before proceeding with the meeting, the Chairman requested the Assistant Corporate Secretary to certify to the posting and publication and existence of a quorum.

The Assistant Corporate Secretary certified that, in compliance with the rules issued by the Securities and Exchange Commission, notice of the meeting, the Definitive Information Statement, along with the Company's "Guidelines for Participation via Remote Communication and Voting *in Absentia*" were uploaded via PSE EDGE and posted on the Company's website on 2 October 2020. Further, the Corporate Secretary certified that the same notice of meeting was published in the following newspapers of general circulation, both in print and online formats: (1) on 5 October 2020, at The Manila Times and Business Mirror; and (2) on 6 October 2020, at The Manila Times and Business Mirror.

She also certified that based on record of attendance, stockholders attending by proxy and stockholders who have registered to remotely join the virtual meeting represent 6,789,077,165 common shares, representing 93.64% of the issued and outstanding capital stock of the Company as of record date of 30 September 2020. She then certified that a quorum was present for the transaction of business by the stockholders.

Finally, the Assistant Corporate Secretary also informed participants that the meeting will be recorded.

## **3. Approval of Minutes of the Annual Stockholders' Meeting held on 29 October 2019**

The Chairman proceeded to the next item in the agenda which is the approval of the minutes of the annual meeting of stockholders held on 29 October 2019. A copy of the minutes was posted on the Company's website soon after last year's annual meeting adjourned. The minutes have also been appended to the Definitive Information Statement for this meeting.

The Assistant Corporate Secretary stated for the record that unqualified votes cast for each item for approval shall be counted in favor of the matter under consideration.

The Corporate Secretary then announced that based on the tabulation of votes, 96.05% of the voting shares represented in the meeting have voted in favor of approval.

With the above votes in favor of approval, the following resolution was passed and adopted:

**"RESOLVED**, that the minutes of the annual meeting of stockholders held on 29 October 2019 are approved."

## **4. Annual Management Report and Approval of the 2019 Annual Report**

The Chairman proceeded to render his report on the results of operations for 2019, as follows:

“Good morning, everyone!

Together with the rest of the Board of Directors and management, I would like to extend a warm welcome to our dear shareholders and guests to our Annual Shareholders Meeting. With the current government restrictions brought about by the on-going COVID-19 pandemic, we will be holding the 2020 shareholders meeting virtually.

To start, let me provide you with a quick recap of our 2019 consolidated financial performance.

Core revenue-generating activities generated annual revenues of P552 million slightly down 4% from 2018 of P576 million. Total revenues for the year ended December 31, 2019 amounted to P583 million down 11% from 2018 of P655 million.

Total costs and expenses for the year ended December 31, 2019 amounted to P898 million up 63% from 2018 of P551 million. Of the total costs and expenses in 2019, P265 million represents loss on deconsolidation of First Oceanic Property Management, Inc. (FOPMI) after the dilution of the Company’s ownership interest over FOPMI from 100% to 24.27%.

The Company’s earnings per share for the year ended December 31, 2019 is negative 0.13 centavos.

Total assets increased by 90% from P761 million in 2018 to P1.449 billion in 2019 while total liabilities decreased by 80% from P296 million in 2018 to P58 million in 2019.

Cash increased from P257 million in 2018 to P1.278 billion in 2019 or about 397% which is mainly attributable to subscription of capital stock from Fortune Noble Limited in the 4th quarter of 2019.

With the acquisition of 51% of the outstanding capital stock of Company by Fortune Noble Limited, a wholly-owned subsidiary of Suncity Group Holdings Limited, a listed company on The Stock Exchange of Hong Kong and primarily engaged in, among others, hotel and integrated resort general consultancy, the Company will be shifting its business focus on tourism-related businesses concentrating on developing and operating tourism-oriented facilities such as hotels, resorts, private clubs, leisure parks, entertainment centers, food and beverage outlets, and other recreational activities.

It is with pride and excitement to report to you that Company has embarked to co-develop with Westside City Resorts World, Inc. a 13-

hectare property located at Bay Boulevard, Entertainment City, Paranaque City.

As part of the co-development agreement, the Company, over the next three (3) years, will be constructing and developing; and eventually manage and operate the following entertainment and leisure areas with an approximate lot area of 44,000 square meters or approximate constructed floor area of 220,000 square meters:

- 5-star hotel with more than 470 hotel rooms;
- Gaming areas with approximately 400 gaming tables and 1,200 slot machines;
- Food and beverage, health and wellness and retail outlets;
- Entertainment outlets (cinema and night club); and
- More than 1,000 car parking spaces.

Despite the global health crisis, we remain hopeful and confident to commence commercial operation in the 1st quarter of 2023. Currently, piling works and architectural design works are on-going and ground-breaking is projected to take place in the last quarter of 2020.

Upon completion, the Westside City Project will be the 4th integrated resort in the Entertainment City, Paranaque City, and is expected to bring a new, vibrant and luxurious entertainment and leisure destination comparable to other destinations in the Asia Region.

Together with our contractors and suppliers, we will adopt safety health measures and establish rigorous health protocols at the construction site to prevent the spread of COVID-19 in compliance with national and local government guidelines.

We continue to be overwhelmingly optimistic in the next 12 months as we begin the construction phase of the Company's flagship project that will increase shareholders' value in the future.

Thank you and stay safe and healthy!

After the report, proceeded to the approval of the Annual Report for 2019, where the Chairman asked the Assistant Corporate Secretary to announce the results of voting. The Assistant Corporate Secretary announced that 96.05% of the voting shares represented in the meeting have voted in favor of approval.

With the above votes in favor, the following resolution was passed and adopted:

**“RESOLVED**, that the 2019 Annual Report is approved.”

The Chairman then proceeded with the Question and Answer portion of the meeting. He asked Mr. Aldee Celis, Financial Controller, to read the questions sent by stockholders.

The first question read, *“What are the effects, if any, of the COVID-19 Pandemic to the progress of development of the hotel and casino project?”*

The Chairman answered that in the current quarantine guidelines, the project team and contractors will provide quarantine camps and vaccination when available. In case of enhanced or stricter quarantine guidelines imposed by national or city government in the future, the construction and development phase may be extended and commercial operations will be delayed.

The next question was, *“I understand that the project is targeted to open in 2022. Assuming that this COVID-19 Pandemic will continue to persist here in the Philippines until next year, will this target date of opening still push through?”*

The Chairman replied that the project team foresees no significant impact on the targeted opening date if the current quarantine guidelines remain the same. If government decided to impose enhanced or stricter quarantine guidelines, opening schedule will inevitably be affected.

Mr. Celis informed the Chairman that there were no other questions.

## **5. Approval and Ratification of the Acts of the Board of Directors and Management**

The next item in the agenda is the ratification of all acts, transactions and contracts entered into, as well as resolutions made and adopted by the Board of Directors and carried out by Management during their term, or from the date of the last annual stockholders’ meeting up to this meeting. These corporate acts are detailed in the Definitive Information Statement provided to all stockholders of record.

The Assistant Corporate Secretary announced that 96.05% of the voting shares represented in the meeting have voted in favor of approval.

With the above votes in favor of approval, the following resolution was passed and adopted:

**“RESOLVED**, that the acts of the Board of Directors and Management during their term or from the date of the last annual stockholders’ meeting held on October 29, 2019 up to the date of this meeting are ratified and approved.”

## **6. Election of Directors for 2020-2021**

The next item in the agenda is the election of directors for the year 2020-2021. The Chairman requested Mr. Eugenio B. Reducindo, Member of the Corporate Governance Committee, to present the nominees to the Board.

Mr. Reducindo stated that the Corporate Governance Committee has pre-screened and short-listed candidates qualified to be elected to the Board of Directors. He then announced the names of the following nominees to the Board for 2020-2021:

Mr. Ferdinand B. Masi

Ms. Neoli Mae L. Kho  
Ms. Josephine Marie R. Salazar  
Mr. Antonio C. Pacis  
Mr. Joey I. Villafuerte  
Mr. Alejo L. Villanueva as Independent Director  
Mr. Eugenio B. Reducindo as Independent Director

The Assistant Corporate Secretary thereafter declared that each of the nominees have obtained the required number of votes to be elected as members of the Board.

The following resolution was therefore passed and adopted:

“**RESOLVED**, that following are elected to the Board of Directors of Suntrust Home Developers, Inc. for 2020-2021, to serve as such directors until their successors have been duly qualified and elected:

Mr. Ferdinand B. Masi  
Ms. Neoli Mae L. Kho  
Ms. Josephine Marie R. Salazar  
Mr. Antonio C. Pacis  
Mr. Joey I. Villafuerte  
Mr. Alejo L. Villanueva as Independent Director  
Mr. Eugenio B. Reducindo as Independent Director”

**7. Appointment of External Auditor**

The next item in the agenda is the appointment of the Company’s external auditor for 2020. The Chairman informed the stockholders that the Audit Committee processed and screened the nominees for external auditor and recommended, as confirmed by the Board of Directors, the appointment of Punongbayan & Araullo as external auditor for 2020.

The Assistant Corporate Secretary then announced that 100% of the voting shares represented in the meeting have voted in favor of approval.

With the above votes in favor of approval, the following resolution was passed and adopted:

“**RESOLVED**, that the appointment of Punongbayan & Araullo as external auditor for 2020 is approved.”

**8. Approval of the Listing of 2,550,000,000 Shares Issued Pursuant to the Increase in Authorized Capital Stock**

The next item in the agenda is the approval of the listing of 2,550,000,000 shares which were issued to Fortune Noble Limited pursuant to the increase in authorized capital stock of the Company approved by the SEC on 20 December 2019.

The Assistant Corporate Secretary then announced that 100% of the voting shares represented in the meeting have voted in favor of approval.

With the above votes in favor of approval, the following resolution was passed and adopted:

**“RESOLVED**, that the listing of 2,550,000,000 shares which were issued to Fortune Noble Limited pursuant to the increase in authorized capital stock of the Company approved by the SEC on 20 December 2019 is approved.”

9. **Approval of the Issuance and Listing of the Underlying Shares to be Issued to Fortune Noble Limited and/or Summit Ascent Investments Limited Pursuant to the Convertible Bonds (issued subject to SEC confirmation of exemption) and a Waiver of a Rights Offering Requirement of the PSE Additional Listing Rules**

The next item in the agenda is the approval of the issuance and listing of the underlying shares to be issued to Fortune Noble Limited and/or Summit Ascent Investments Limited pursuant to the Convertible Bonds (issued subject to SEC confirmation of exemption) and a waiver of a rights offering requirement of the PSE Additional Listing Rules.

The Chairman explained that, as disclosed in the DIS, the Board has approved the execution of subscription agreements pertaining to the issuance of convertible bonds in favor of Fortune Noble Limited and Summit Ascent Investments Limited, in the principal amounts of PHP7,300,000,000.00 and PHP5,600,000,000.00, respectively, subject to the fulfillment of certain conditions and regulatory approvals, including prior confirmation from the Securities and Exchange Commission (SEC) that the issuance is exempt under Rule 10.1 of the Securities Regulation Code. In anticipation of the potential conversion of the convertible bonds into equity, Shareholder Approval is being sought for the subsequent issuance and listing of underlying shares in the aggregate of up to 9,747,474,747 [and for that specific purpose, the Board approved, for ratification of shareholders the proposed Issuance of the Convertible Bonds to Fortune Noble Limited and Summit Ascent Investments Limited as required under the Additional Listing Rules]. Finally, the waiver of a rights or public offering, in the event of conversion and issuance of underlying shares, is also being sought in accordance with the Additional Listing Rules of The Philippine Stock Exchange, Inc.

The Assistant Corporate Secretary then announced that 100% of the voting shares represented in the meeting have voted in favor of approval. Further, the required number of minority shareholders approved the waiver of a rights or public offering.

With the above votes in favor of approval, the following resolution was passed and adopted:

**“RESOLVED**, that the issuance and listing of the underlying shares to be issued to Fortune Noble Limited and/or Summit Ascent Investments Limited pursuant to the Convertible Bonds (issued subject to SEC confirmation of exemption) and a waiver of a rights offering requirement of the PSE Additional Listing Rules are approved.”

**10. Amendment of the Corporation's By-Laws to Allow Alternative Modes of Communication in the Conduct of Board and Stockholders' Meetings**

The next item in the agenda is the amendment of Sections 5 and 7, Article I and Section 6, Article II of the Amended By-Laws of the Company to allow alternative modes of communication in the conduct of Board and stockholders' meetings. The Chairman explained that Board approved this proposed amendment during its meeting on 16 September 2020. Copies of the proposed amendments were made available through the Definitive Information Statement and the PSE Electronic Disclosure Generation Technology or PSE EDGE.

The Assistant Corporate Secretary then announced that 100% of the voting shares represented in the meeting have voted in favor of approval.

With the above votes in favor of approval, the following resolution was passed and adopted:

**"RESOLVED**, that the amendment of Sections 5 and 7, Article I and Section 6, Article II of the Amended By-Laws of the Company to allow alternative modes of communication in the conduct of Board and stockholders' meetings is approved."

**11. Other Matters**

The Chairman inquired if there were any other item in the agenda. The Assistant Corporate Secretary confirmed that there were no other matter.

**12. Adjournment**

There being no other matters in the agenda, the Chairman thanked everyone who joined the meeting wished everyone good health. Thereafter, the meeting was adjourned at 9:24 a.m.

**CERTIFIED CORRECT:**

**(SGD)**  
**MARIA CARLA T. UYKIM**  
*Assistant Corporate Secretary*

**ATTESTED BY:**

**(SGD)**  
**FERDINAND B. MASI**  
*Chairman*