

Minutes of 2020 Annual Stockholders Meeting

Held on 03 June 2020 in Cebu City via Zoom Video Conferencing

I. CALL TO ORDER

The Chairman called the meeting to order at 9:19AM.

II. CERTIFICATION OF NOTICE AND QUORUM

The Assistant Corporate Secretary certified that as of record date for this Annual Stockholders Meeting, CLI had a total of 16 stockholders holding 1,648,500,000 shares of stocks. Of this number, 9 stockholders represented by 29 proxies, holding 69.78% of total outstanding shares, were present either in person or remotely via Zoom, the videoconferencing platform used for this meeting. As such, the Assistant Corporate Secretary certified that the meeting had quorum to proceed.

He also certified that prior notice to stockholders was published with the Philippine Daily Inquirer on May 11 and 12 and that all materials for the annual meeting were made available on CLI's website in compliance with Securities and Exchange Commission Memorandum Circular No. 6 Series of 2020, which governs the conduct of stockholders meeting remotely via tele- and video-conference.

III. APPROVAL OF PREVIOUS MINUTES

On motion duly seconded, the minutes of the 2019 Annual Stockholders Meeting held in Cebu City on 28 May 2019 was approved.

IV. NEW BUSINESS

A. Report of the Chief Financial Officer

Chief Financial Officer Beauregard Grant L. Cheng reported to the shareholders that CLI sustained its growth momentum in 2019, recording a 26% increase in consolidated revenues at ₱8.51 billion, net income of ₱2.44 billion, and total assets of ₱38.3 billion.

For Q1 2020, CLI's consolidated revenues increased by 13% to ₱2.1 billion notwithstanding the construction slowdown in March due to lockdown restrictions. Reservation sales during the quarter still hit ₱4.8 billion compared to ₱5.26 billion in Q1 2019.

Despite the pandemic, a steady demand for residential projects in VisMin allowed CLI to surprisingly outperform its sales in Q2 last year. Sales during the period were mostly driven by Mivela Garden Residences in Cebu City and Velmiro Uptown in Cagayan de Oro City.

Meanwhile, Mr. Cheng reported that CLI has issued ₱8 billion worth of corporate notes of which ₱3.2 billion were drawn at favorable rates in March and April 2020. It has also secured ₱41.2 billion in approved lines for its various project, underscoring the strong financial confidence by major banks in CLI.

The company declared and paid cash dividend of ₱0.25 per share on the back of its outstanding FY2019 earnings. It also bought back ₱300 million worth of shares at an average cost of ₱4.40 per share, he said.

A copy of the above report is available upon request to the Office of the Corporate Secretary.

Action Taken: On motion duly seconded, the stockholders and proxies present unanimously approved the report of the Chief Financial Officer.

B. Report of the Chief Operating Officer

Executive Vice President and Chief Operating Officer Jose Franco B. Soberano reported that CLI was adjudged the “Best Developer in the Philippines” in 2019 by property guru Asia Property Awards and Lamudi. With 12% total market share, CLI was also dubbed the leading residential developer in the Visayas and Mindanao by Santos Knight Frank in the same year.

He also identified in his report the key project launches in Q1 2020, among them various Casa Mira brands and Garden Series condos in Cebu, Bohol, Dumaguete, Ormoc, Cagayan De Oro, and Davao – all while the Covid-19 pandemic raged on.

He also reported that the following projects were already sold out as of May 2020: Baseline Premier Cebu, Latitude Corporate Center, Mivesa Garden Residences, Mesavirre Garden Residences A & B, Velmiro Uptown CDO, Casa Mira Coast Sibulan Dumaguete, and Casa Mira South Phases 1 and 2.

He also mentioned that CLI’s hotel portfolio generated ₱20.7 million in revenues with the completion of Citadines Cebu City in September 2019. A copy of his report may be requested from the Office of the Corporate Secretary.

Action Taken: On motion duly seconded, the stockholders and proxies present unanimously approved the COO’s Report.

C. Report of the Chairman of the Board, President, and CEO

Chairman, President and CEO Jose R. Soberano III reported to the shareholders that CLI is now in 15 key cities across Visayas and Mindanao. In 2019, the company launched 13 projects worth ₱18 billion, representing 22 hectares, and purchased 55 hectares for future development.

He also reported that CLI is pursuing township and estate developments, a 5-star international hotel in Cebu Business Park, expansion of Abaca boutique resort, and a mixed-use hotel and residential project on an 18,413-sq.m. beachfront property in Mactan Island, Cebu.

To support future expansion plans, CLI has 108 hectares in landbank as of Q1 2020, spread across 11 key locations. According to Mr. Soberano, there are 40 projects in different stages of development, while 27 are in the pipeline until 2022. Fourteen of these projects will be launched in 2020 and are seen to generate approximately ₱19.4 billion in revenues.

Mr. Soberano remained upbeat even with the Covid-19 pandemic, citing the ₱2 billion reservation sales recorded in April and May at the height of community quarantine. The company aims to achieve a full-year guidance closely matching 2019 figures. A copy of the Chairman’s Report may be requested from the Office of the Corporate Secretary.

Action Taken: On motion duly seconded, the stockholders and proxies present unanimously approved the Chairman’s Report.

D. Approval of Audited Financial Statements as of December 31, 2019

Action Taken: On motion duly seconded, the stockholders unanimously approved the 2019 Audited Financial Statements.

E. Ratification of all Acts of the Board of Directors in 2019

The following acts of the Board of Directors during the 2019-2020 term were ratified by stockholders and their proxies present at the meeting:

1. Creation of the following joint ventures:
 - Cebu Homegrown Developers, Inc. (a joint venture with AboitizLand)
 - Cebu BL-Ramos Ventures, Inc. (a joint venture with Borromeo Bros. Estate, Inc.)
2. Acquisition of the following properties:
 - 30.5-hectare property in Davao City
 - 12-hectare property formerly owned by A. Brown in Cagayan de Oro City
 - 9.1-hectare property in Ormoc City
 - 6.9-hectare property in Dumaguete City
 - 2.8-hectare expansion for Casa Mira South housing project
 - 2-hectare property in Puerto Princesa, Palawan
 - 1.9-hectare lot inside Lyceum of the Philippines' campus in Davao City
 - 1.8-hectare beach property in Mactan Island, Lapu-Lapu City
 - 1.3-hectare property in Panglao Island, Bohol
 - 1-hectare expansion in Bacolod City
 - 4,300-sqm beach property in Mactan Island, Lapu-Lapu City
 - 1,900-sqm expansion for Casa Mira Towers Guadalupe, Cebu City
 - Land-lease of Patria de Cebu lot (future site for Accor-branded Hotel)
 - Land-lease of Cebu Business Park lot (future site for Sofitel Hotel)
3. Adoption of Board Charter;
4. Creation of a Nomination Committee separate and distinct from the Corporate Governance Committee and adoption of its charter;
5. Adoption of Related-Party Transaction Policy in compliance with SEC regulations;
6. Issuance of ₱2-billion fixed-rate, short-dated Corporate Notes;
7. Issuance of ₱8-billion Corporate Notes.

F. Election of Directors for the 2020-2021 Term

The following were elected directors for the 2020-21 Term:

1. Jose R. Soberano III
2. Ma. Rosario B. Soberano
3. Jose Franco B. Soberano
4. Joanna Marie S. Bergundthal
5. Beauregard Grant L. Cheng
6. Stephen A. Tan
7. Rufino Luis T. Manotok
8. Ma. Aurora D. Geotina-Garcia
9. Atty. Ma. Jasmine S. Oporto

Below is the summary of votes:

NAME	YES	NO	ABSTAIN	TOTAL	% OF SHARES
Jose R. Soberano III	1,150,323,197	4,875	--	1,150,328,072	69.78%
Ma. Rosario B. Soberano	1,150,323,197	4,875	--	1,150,328,072	69.78%
Jose Franco B. Soberano	1,150,323,197	4,875	--	1,150,328,072	69.78%
Joanna Marie S. Bergundthal	1,150,323,197	4,875	--	1,150,328,072	69.78%
Stephen A. Tan	1,150,323,197	4,875	--	1,150,328,072	69.78%
Beauregard Grant L. Cheng	1,150,323,197	4,875	--	1,150,328,072	69.78%
Rufino Luis T. Manotok	1,150,323,197	4,875	--	1,150,328,072	69.78%
Ma. Aurora D. Geotina-Garcia	1,150,323,197	4,875	--	1,150,328,072	69.78%
M. Jasmine S. Oporto	1,150,323,197	4,875	--	1,150,328,072	69.78%

G. Appointment of Independent Auditor for Fiscal Year 2020

Action Taken: Upon recommendation by the Audit Committee, chaired by Dir. Ma. Aurora D. Geotina-Garcia, the stockholders approved the re-appointment of Punongbayan & Araullo as independent auditor for Fiscal Year 2020.

H. Proposed amendment to CLI bylaws adopting Sec. 47 of R.A. 11232, also known as the Revised Corporation Code of the Philippines, giving CLI's Board flexibility to amend, revise, or adopt new by-laws as needed without calling for stockholders' approval

Prior to the annual meeting, the Office of the Corporate Secretary circulated to stockholders the following resolutions for approval:

RESOLVE, AS IT IS HEREBY RESOLVED, that the stockholders approve the adoption of Sec. 47 of R.A. 11232, also known as the Revised Corporation Code of the Philippines, and that by virtue thereof, the stockholders hereby delegate to the Board of Directors the power to amend or repeal the bylaws of the Corporation or adopt a new one: Provided that such power shall be deemed revoked whenever stockholders owning or representing a majority of outstanding capital stock shall so vote at any regular or special meeting.

RESOLVE FURTHER, AS IT IS HEREBY RESOLVED, that the President and Corporate Secretary of the Corporation, or their duly appointed substitutes, be authorized to file the necessary documents and/or notices to the Securities and Exchange Commission and the Philippine Stock Exchange

if and when an amendment, repeal, or new by-laws are proposed or adopted by the Board of Directors in the future.

Action Taken: These proposed resolutions were approved with “yes” votes numbering 1,150,328,072 or 69.78% of total outstanding CLI shares. These votes came from stockholders who sent their ballots through proxies to the Office of the Corporate Secretary prior to the meeting.

V. OTHER MATTERS

None of the shareholders or their proxies present raised any other matters before adjournment.

VI. ADJOURNMENT

On motion duly seconded, the Chairman adjourned the meeting at 10:41AM.