

COVER SHEET

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SEC Registration Number

[illegible]

(Company's Full Name)

[illegible]

(Business Address: No. Street City/Town/Province)

ATTY. FEDERICO G. NOEL, JR.

(Contract Person)

370-2700

(Company Telephone Number)

1	2
3	1

Month Day
(Fiscal Year)

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(Form Type)

Month Day
(Annual Meeting)

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(Secondary License Type, If Applicable)

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Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

□ □ □ □ □

Domestic

Foreign

To be accomplished by SEC Personnel concerned

[illegible]

File Number

LCU

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**NOTICE OF ANNUAL STOCKHOLDERS' MEETING
OF
SHANG PROPERTIES, INC.**

To be held on 20 June 2017 at 10:00 A.M.

To All Stockholders:

Please be advised that the Annual Meeting of the Stockholders of **SHANG PROPERTIES, INC.** (the "**Corporation**") will be held on 20 June 2017 at 10:00 A.M. at the *Garden Ballroom, Edsa Shangri-La Hotel, Manila, No. 1 Gardenway, Ortigas Center, Mandaluyong City.*

The Agenda of the meeting is set forth below:

- 1) Call to Order
- 2) Certification of Notice and Quorum
- 3) Approval of the Minutes of the Annual Meeting of the Stockholders held on 21 June 2016
- 4) Report of Management
- 5) Ratification of Acts of Management and the Board of Directors
- 6) Election of the Board of Directors for the year 2017-2018
- 7) Election of External Auditors
- 8) Amendment of Articles of Incorporation – Decrease in Number of Directors
- 9) Other Matters
- 10) Adjournment

The Board of Directors has fixed the close of business hours on **22 May 2017** as the record date for the determination of the stockholders in good standing entitled to notice of and to vote at such meeting.

Minutes of the Stockholders' Meetings and SEC Form 17-A (Annual Report) for the year ended 31 December 2016 as well as the resolutions of the Board of Directors, will be available for examination during office hours at the office of the Corporate Secretary.

In case you cannot personally attend the meeting, you may send a proxy to represent you. Proxies must be filed with and received by the office of the Corporate Secretary of the Corporation before the date set for the annual meeting. In the absence of a written specification to the contrary, proxies in favor of, or which may be voted by, the management, will be in favor of the nominees of the management in the election of directors of the Corporation.

Mandaluyong City, Metro Manila, 4th day of May 2017.

**BY ORDER OF THE BOARD OF DIRECTORS
OF SHANG PROPERTIES, INC.**


FEDERICO G. NOEL, JR.
Corporate Secretary

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

☐ Definitive Information Statement

☒ Preliminary Information Statement

2. Name of Registrant as specified in its charter

SHANG PROPERTIES, INC.

3. Philippines

Province, country or other jurisdiction of incorporation or organization

4. SEC Identification Number: 145490

5. BIR Tax Identification Code: 000-144-386

6. Level 5, Administration Offices, Shangri-La Plaza Mall

EDSA cor. Shaw Boulevard, Mandaluyong City

1550

Address of principal office

Postal Code

7. Registrant's telephone number, including area code (632) 370-2700

8. The annual meeting of Registrant's stockholders will be held on 20 JUNE 2017 at 10:00 AM at the Garden Ballroom, Edsa Shangri-La Hotel, Manila, No. 1 Gardenway, Ortigas Center, Mandaluyong City
Date, time and place of the meeting of security holders

9. Approximate date on which the Information Statement is first to be sent or given to security holders:

29 MAY 2017, which is fifteen (15) business days prior to the date of the Annual Stockholders' Meeting on 20 JUNE 2017.

10. No proxy solicitations will be made by Registrant.

11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class

Number of Shares of Common Stock Outstanding and
Amount of Debt Outstanding

Common Stock

4,764,056,287 common shares

(* not included are the Registrant's 2,695 treasury shares)

12. Are any or all of registrant's securities listed in a Stock Exchange?

Yes X No _____

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:

The Registrant's Common Shares are listed with the Philippine Stock Exchange.



PART I.

INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

Date, time and place of meeting of security holders.

The annual meeting of Registrant's stockholders will be held on 20 JUNE 2017 at 10:00 AM at Edsa Shangri-La Hotel, Manila.

The approximate date on which the Information Statement is first to be sent or given to security holders is on 29 MAY 2017, which is fifteen (15) business days prior to the date of the Annual Stockholders' Meeting on 20 JUNE 2017.

Registrant's complete mailing address is as follows: **SHANG PROPERTIES, INC.**, Level 5, Administration Offices, Shangri-La Plaza Mall, EDSA cor. Shaw Blvd., Mandaluyong City.

Dissenters' Right of Appraisal

Any stockholder of the Registrant shall have the right to dissent and demand payment of the fair value of his/her shares as provided under the Corporation Code of the Philippines. There is no matter scheduled to be taken up during the Annual Stockholder's Meeting which would give rise to the exercise of a stockholder's right of appraisal.

Interest of Certain Persons in or Opposition to Matters to be Acted Upon

No director or officer of the Registrant or nominee for election as director of Registrant, or associate of any of the foregoing has/have a substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon during the Annual Stockholders Meeting, other than election to office for some of such persons.

No director of the Registrant has informed the Registrant in writing or otherwise that he intends to oppose any action to be taken by the Registrant at the meeting.

B. CONTROL AND COMPENSATION INFORMATION

Voting Securities and Principal Holders Thereof

As of the date of submission of this Information Statement, the Registrant has 4,764,056,287 issued and outstanding common shares all with a par value of One Peso (P1.00) per share. All shares have identical voting rights. Every stockholder entitled to vote shall have the right to vote in person or by proxy the number of shares of stock as of record date. Every stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate his votes and give one candidate/nominee as many votes as the number of directors to be elected multiplied by the number of his shares shall equal or he may distribute them on the same principle among as many candidates as he shall see fit provided that the total number of votes cast by him shall not exceed the number of shares owned multiplied by the whole number of directors to be elected.

The record date for the Registrant's Annual Stockholders' Meeting is 19 MAY 2017.

Every stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate his votes and give one candidate/nominee as many votes as the number of directors to be elected multiplied by the number of his shares shall equal or he may distribute them on the same principle among as many candidates as he shall see fit provided that the total number of votes cast by him shall not exceed the number of shares owned multiplied by the whole number of directors to be elected.

There are no stated conditions precedent to the exercise of cumulative voting rights.

Top Twenty Stockholders of the Issuer

The Top 20 stockholders of the Issuer as of 30 APRIL 2017 are:

Name of Stockholders	Number of Shares Held	Percent to Total Outstanding
Travel Aim Investment B.V	1,648,869,372	34.61%
Ideal Sites and Properties, Inc.	1,465,144,626	30.75%
PCD Nominee Corporation	1,011,600,226	21.23%
SM Development Corporation	189,550,548	3.97%
PCD Nominee Corporation	55,306,453	1.16%
KGMPP Holdings, Incorporated	52,925,445	1.11%
CCS Holdings, Incorporated	47,633,492	0.99%
Pecanola Company Limited	43,175,495	0.90%
Kuok Brothers SND. BHD.	37,023,839	0.77%
Kuok Foundation Overseas Limited	37,023,839	0.77%
GGC Holdings, Incorporated	26,224,322	0.55%
Kerry Holdings Limited	26,090,624	0.54%
Kuok (Singapore) Limited	24,848,214	0.52%
Kerry (1989) LTD.	12,424,107	0.26%
Kuok Traders (Hong Kong) LTD.	11,407,363	0.23%
Federal Homes, Inc.	4,808,478	0.10%
Luxhart Assets Limited	3,975,714	0.08%
Yan, Lucio W. Yan &/or Clara	3,142,857	0.06%
Antonio O. Cojuangco	3,026,964	0.06%
Sysmart Corporation	1,671,231	0.03%
	4,705,873,209	98.69%

As of 30 APRIL 2017, the total number of shareholders of Issuer's common shares is 5,329.

Security Ownership of Certain Record and Beneficial Owners of More Than 5%

Following are the stockholders who are known to the Issuer to be directly or indirectly the record and/or beneficial owner of more than 5% of any class of the Issuer's voting shares as of 30 APRIL 2017.

Title of Class	Name, address of record owner and relationship with issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent
Common	Travel Aim Investment B. V. 25/F Kerry Centre 683 King's Road Quarry Bay, HK	R	Foreign	1,648,869,372	34.61%
Common	Ideal Sites & Properties, Inc.	R	Filipino	1,465,144,626	30.75%
Common	PCD Nominee Corporation	R	Filipino	1,011,600,226	21.23%

Travel Aim Investments B. V. is a wholly-owned subsidiary of Kerry Properties Limited. Kerry Properties Limited is a Bermuda company incorporated in 1996 and listed on the Hong Kong Stock Exchange. It is controlled by the Kuok Group, and was formed to hold the Hong Kong and Mainland China property investments and developments and infrastructure interests of the Kuok Group. In the Philippines, the interests of the Kuok Group are chaired by Mr. Edward Kuok who is also the Chairman and Director of the Issuer.

Ideal Sites and Properties, Inc. (Ideal) is the owner of record of 1,465,144,626 shares. These shares serve as underlying securities to the Philippine Deposit Receipts (PDRs) issued by Ideal. Ideal is a member of the Kuok Group of Companies. *The votes for Ideal Sites and Properties, Inc., are to be cast by the said Company's appointed proxy, who is usually the Chairman of the Issuer's Annual Shareholders Meeting. The Annual Shareholders Meeting of the Issuer is usually chaired by Mr. Edward Kuok Khoon Loong, and in his absence, by Mr. Alfredo Ramos.*

PCD Nominee Corporation is a wholly-owned subsidiary of the Philippine Depository & Trust Corp. (formerly Philippine Central Depository, Inc.) The PCD Nominee Corporation is the registered owner of the shares in the books of the Company's transfer agent in the Philippines. The beneficial owners of such shares are PCD's participants, who hold the shares on their behalf or on behalf of their clients and/or principals. PCD is a private company organized by the major institutions actively participating in the Philippine capital market.

Security Ownership of Management (as of 30 APRIL 2017)

Title of Class	Name of Beneficial Owner	Amount and Nature of beneficial ownership	Citizenship	Percent of Class
Common	Edward Kuok Khoon Loong	808,008(D)	Malaysian	0.000%
Common	Alfredo C. Ramos	158(D)	Filipino	0.000%
Common	Cynthia R. Del Castillo	1(D)	Filipino	0.000%
Common	Danila Regina I. Fojas	36,010(D)	Filipino	0.000%
Common	Andrew Kin Sun Ng	930,010(D)	British Hong Kong	0.000%
Common	Karlo Marco P. Estavillo	5,000(D)	Filipino	0.000%
Common	Antonio O. Cojuangco	3,026,964(D)	Filipino	0.000%
Common	Johnny Cobankiat	32,302(D)	Filipino	0.000%
Common	Gregory Allan Dogan	10(D)	British	0.000%
Common	Koay Kean Choon	1,000(D)	Malaysian	0.000%
Common	Maximo G. Licaucio III	1(D)	Filipino	0.000%
Common	Wilfred Shan Chen Woo	1,000(D)	Canadian	0.000%
Common	Ho Shut Kan	1,570(D)	New Zealand	0.000%
Common	Benjamin C. Ramos	2(D)	Filipino	0.000%
Common	Federico G. Noel, Jr.	1(D)	Filipino	0.000%

As of the reporting of SEC Form 20-IS for 2016, the aggregate ownership of all directors and officers as a group unnamed is **4,842,037** shares or **0.10%** of the outstanding shares of Issuer.

VOTING TRUST / HOLDERS OF 5% OR MORE

None of the shareholders of Registrant have entered into a voting trust agreement, so that all questions relating to the same are irrelevant to the Registrant.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

On 28 May 2008, Shang Global City Properties, Inc., of which Issuer's subsidiary Shang Global City Holdings, Inc., is an equity holder to the extent of 40%, entered into a Deed of Absolute Sale with Fort Bonifacio Development Corporation ("FBDC"), for the purchase of a 15,120 sqm. parcel of land within the development in Taguig City, Philippines, known as the Bonifacio Global City. A luxury hotel and condominium development is envisioned to be constructed on this property.

On 30 June 2008, the Issuer and its wholly-owned subsidiary, Shang Fort Bonifacio Holdings, Inc. (SFBHI), entered into a Shareholders' Agreement (Agreement) with Oceans Growth Limited (OGL), a subsidiary of Shangri-La Asia Limited (SA), and Alphaland Corporation (AC). Under the Agreement, SFBHI shall cause its wholly-owned subsidiary, Fort Bonifacio Shangri-La Hotel, Inc. (FBSHI) to issue 5,000 common shares to OGL and 2,500 common shares to AC such that upon completion of the issuance to, and, subscription by OGL and AC, FBSHI shall become a joint venture company with the following ownerships structure:

SFBHI	-	40%
OGL	-	40%
AC	-	20%
		100%

On 02 April 2014, the Issuer's wholly owned subsidiaries, Shang Global City Holdings, Inc., and Shang Fort Bonifacio Holdings, Inc., acquired Alphaland Development, Inc.'s Twenty Per Cent (20%) equity in Shang Global City Properties, Inc., and Fort Bonifacio Shangri-La Hotel, Inc.

On 02 September 2014, the SEC approved the merger between Shang Global City Properties, Inc., and Fort Bonifacio Shangri-La Hotel, Inc., with Shang Global City Properties, Inc., as the surviving entity.

On 09 November 2009, the Issuer entered into a Memorandum of Agreement with its subsidiary Shang Properties Realty Corporation ("SPRC") (formerly, The Shang Grand Tower Corporation), wherein Issuer agreed with SPRC to develop a portion of Issuer's Property located at Edsa cor. Shaw Blvd., Mandaluyong City, into another commercial/retail building ("Project") comprised of a shopping mall, parking facilities, and high-rise residential condominium building to be known as "One Shangri-La Place". Under the MOA, Issuer commits to transfer a portion of its Property where the Project will be constructed, and to contribute up to PHP TWO BILLION FIVE HUNDRED MILLION and 00/100 (PHP2,500,000,000.00) to partially fund the construction of the Project. SPRC, for its part, will put up the rest of the funding required for the construction of the Project. On 20 September 2013, Shang Properties Realty Corporation purchased the Property from Issuer.

On 31 March 2011, Issuer's subsidiary, Shang Property Developers, Inc. executed a Deed of Absolute Sale with Asian Plaza I Condominium Corporation and Asian Plaza, Inc. (both are Filipino corporations), for the purchase of the mixed use condominium project known as the Asian Plaza I and the parcel of land of which said project stands, for a consideration of **PHP SIX HUNDRED FIFTEEN MILLION and 00/100 (PHP615,000,000.00)**. The Asian Plaza I is located at the corner of Gil Puyat Ave., Tordesillas St. and H. V. de la Costa St., Salcedo village, Makati City.

On 27 June 2011, Issuer purchased L'Hirondelle Holdings, Inc.'s 50million common shares and 270million preferred shares in Shangri-La Plaza Corporation ("SLPC") (representing 21.28% equity in SLPC), for a total consideration of P450,000,000.00. Said sale increased Issuer's equity in SLPC from 78.72% previously to 100%, making SLPC a wholly-owned subsidiary of Issuer. SLPC owns and operates the mall establishment known as the Shangri-La Plaza which is located in Mandaluyong City.

As noted above, on 02 September 2014, the SEC approved the merger between Shang Global City Properties, Inc., and Fort Bonifacio Shangri-La Hotel, Inc., with Shang Global City Properties, Inc., as the surviving entity. Other than this merger, Issuer's other subsidiaries have not undergone any material reclassification, merger, consolidation or purchase or sale of a significant amount of assets not classified as ordinary.

Business of Issuer

(A) Description of Issuer

- (i) The Issuer is a property development, real estate management and investment holding company. It is publicly subscribed and was listed in the Philippine Stock Exchange in April 1999. Its significant and active subsidiaries are as follows:
- Shangri-La Plaza Corporation (100% owned by Issuer);
 - SPI Parking Services, Inc. (formerly EDSA Parking Services, Inc.) (100 % owned by Issuer); and
 - Shang Properties Realty Corporation (formerly, The Shang Grand Tower Corporation (100 % owned by Issuer)
 - EPHI Logistics Holdings, Inc. (60% owned by Issuer)
 - Shang Global City Holdings, Inc. (100% owned by Issuer)
 - Shang Fort Bonifacio Holdings, Inc. (100% owned by Issuer)
 - Shang Property Management Services Corporation (formerly EPHI Project Management Services Corporation) (100% owned by Issuer)
 - KSA Realty Corporation (52.90% owned by Issuer)
 - Shang Property Developers, Inc. (100% owned by Issuer)
 - Shang Global City Properties, Inc. (60% owned through the Issuer's wholly owned subsidiaries Shang Global City Holdings, Inc., and Shang Fort Bonifacio Holdings, Inc.)
 - The Rise Development Company, Inc. (100% owned through Issuer's wholly owned subsidiary KPPI Realty Corporation)
 - Shang Wack Wack Properties, Inc. (100% owned by Issuer)

Shangri-La Plaza Corporation was incorporated on 06 January 1993 to invest in, purchase, own, hold, lease and operate the Shangri-La Plaza Shopping Complex located at Mandaluyong City, Philippines. Its primary business is leasing. The Shangri-La Plaza Shopping Complex houses Rustan's department store, theater, cinema, restaurants, fast-food outlets, boutiques and specialty stores. Its tenants are leading international and local retailers such as Marks & Spencer, Escada, Hugo Boss, Rustan's, Zara, Debenhams, Armani, etc., which caters to the upscale market.

SPI Parking Services, Inc. ("SPSI") was incorporated on 14 November 2001 to own and/or manage and operate carpark facilities including those surrounding the Shangri-La Plaza Shopping Complex, and to render such other services as may be related or incidental to the management and operation of said carpark facilities.

The Shang Properties Realty Corporation (formerly, The Shang Grand Tower Corporation) was incorporated on 20 August 2003 as a realty development company. It constructed The Shang Grand Tower, a high rise luxury condominium at the heart of the Makati Commercial Business District. It is also the owner and developer of The St. Francis - Shangri-La Place, a two-tower high rise residential condominium located in Ortigas, Mandaluyong City. It is also the owner and developer of One Shangri-La Place, a mixed use high rise development located at Edsa cor. Shaw Blvd., Mandaluyong City.

EPHI Logistics Holdings, Inc., was incorporated on 20 August 2002 as a holding company.

Shang Global City Holdings, Inc., was incorporated on 11 December 2007 as a holding company.

Shang Fort Bonifacio Holdings, Inc., was incorporated on 11 December 2007 as a holding company.

Shang Property Management Services Corporation was incorporated on 10 October 2006 for the purpose, among others, of acting as managing agents or administrators of Philippine corporations with respect to their business or properties.

KSA Realty Corporation was incorporated on 03 August 1990 as a realty development company. It owns The Enterprise Center, one of the most modern and luxurious office buildings in the country which is located at the heart of the Makati Central Business District.

Shang Property Developers, Inc. which was incorporated on 17 December 2010 as a realty development company. It is the owner and developer of the Shang Salcedo Place, a residential condominium located in Sen. Gil Puyat Ave. cor. Tordesillas St., H.V. de la Costa St., Salcedo Village, Makati City. It is slated for completion in 2015.

Shang Global City Properties, Inc., was incorporated on 13 December 2007. By virtue of the SEC approved merger between Shang Global City Properties, Inc. and Fort Bonifacio Shangri-La Hotel, Inc., Shang Global City Properties, Inc., is now the owner and developer of the hotel and residential development known as Shangri-La at the Fort. The residential component of the development has commenced pre-selling.

The Rise Development Company, Inc., will be joint venturing with Vivelya Development Company, Inc., for the development of a mixed use development to be known as The Rise, located in Malugay St., San Antonio Village, Makati.

Shang Wack Wack Properties, Inc., was incorporated on 13 January 2016 as a realty development company.

- (ii) Issuer's subsidiary, Shang Properties Realty Corporation (formerly, The Shang Grand Tower Corporation) and Shang Property Developers, Inc. sold units of the condominium development The St. Francis Shangri-La Place to non-resident Filipinos and foreigners, but not exceeding 40% of the total no. of units. It has been selling units of the One Shangri-La Place, its latest condominium development, but subject to the limitation that not more than 40% of the total number of units shall be sold to foreigners. Issuer's subsidiary Shang Property Developers Inc. has also started selling units to its residential condominium development, Shang Salcedo Place, sales for which are also subject to the 40% alien ownership limitation.

- (iii) This is not applicable to the Issuer. It is primarily a holding company and therefore has no direct distribution methods of products and services.
- (iv) Neither the Issuer nor its subsidiaries have new products or services which may be described as requested in this particular section.
- (v) Insofar as the Issuer's competitors are concerned, the Issuer's competitors are upper middle to high end real estate companies who are involved in property development such as Ayala Land and Megaworld. Issuer can and will be able to compete in the property development industry because of its strong financial position, international expertise and strong brand position. For the Shangri-La Plaza Corporation, its competitors are entities operating similar upscale malls such as Rockwell, Podium, and Greenbelt 3. The Shangri-La Plaza Corporation is not threatened by competition where it is the only truly upscale commercial complex in its geographic location, and where it is continuously upgrading its facilities in order to cater to its upscale market. SPSI's competitors are those entities who are into carpark management and operation. SPSI is in a healthy financial position and has the expertise to efficiently and viably operate its carpark facilities.
- (vi) This section on raw materials and suppliers is not applicable to the Issuer nor to its subsidiaries by reason of the nature of their businesses as herein described.
- (vii) Neither the Issuer nor its subsidiaries operations and businesses are dependent on a single customer, the loss of which would have a material adverse effect on the Issuer and its subsidiaries taken as a whole, by reason of the nature of their businesses as described herein.
- (viii) On transactions with and/or dependence on related parties:

With Issuer's subsidiaries:

a. With Shangri-La Plaza Corporation (SLPC)

i) A portion of the Issuer's land where the Shangri-La Plaza Mall is located is being leased to SLPC. The lease is for a period of twenty five (25) years from 06 January 1993. Rental income is calculated at 10% of SLPC's annual rental income from mall operations plus a certain percentage of the carpark's net income.

ii) Issuer and SLPC have in turn entered into an agreement whereby SLPC shall lease said mall facility from Issuer of a period of five (5) years commencing on September 2012, renewable upon mutual agreement of the Parties. Rental income is calculated at 12% of SLPC's annual rental income from mall operations.

b. With SPI Parking Services, Inc. (SPSI)

On 16 January 2002, the Issuer entered into an agreement with SLPC and SPSI. Under the terms and conditions of the agreement, SPSI will be granted limited usufructuary rights over the Issuer's parking spaces for a consideration equivalent to a certain percentage of SPSI's gross income less direct and indirect expenses. The agreement has been renewed annually and subsists to date.

c. With Shang Properties Realty Corporation (formerly, The Shang Grand Tower Corporation)

On May 8, 2005, the Issuer entered into a Memorandum of Agreement ("MOA") with Shang Properties Realty Corporation ("SPRC") whereby Issuer, as registered owner of a parcel of land located along St. Francis Road cor. Internal Road, Shangri-La Complex, Mandaluyong City ("Property"), agreed with SPRC for the latter to develop the Property into a two-tower high rise residential condominium to be known as The St. Francis Shangri-La Place ("Project"). SPRC shall provide the funding for the Project which was completed in 2009.

The MOA, among others, provides that Issuer, as the owner of the Property, commits to transfer the same, free from all liens and encumbrances, in favor of the Condominium Corporation that will be incorporated upon the completion of the Project. Pending the transfer of the Property to the Condominium Corporation, Issuer shall allow the use of the Property for the construction of the Project, subject to the terms and conditions hereinafter stipulated. SPRC shall provide funding for the construction of the Project. It is the intention of the Parties to allocate the resulting units in the Project between them, with each party taking

ownership and possession of its respective allocated units ("Allocated Units"), with full power and discretion on the disposition of the same, subject only the pertinent conditions hereunder contained. The allocation between the Parties of the Net Saleable Area shall be at the ratio of twenty percent (20%) to Issuer and eighty percent (80%) to SPRC subject to adjustment based on mutual agreement of the Parties. The actual designation of the Parties' respective Allocated Units shall be determined upon completion of the final plans and shall be incorporated in a supplemental agreement to be executed by the Parties. The Parties also agreed that Seventy Five (75) contiguous parking slots shall be allocated to the Issuer. The allocation of the remaining parking slots net of the 75 slots allocated to Issuer shall be eighty percent (80%) to SPRC and twenty percent (20%) to Issuer subject to adjustment based on mutual agreement of the Parties. The actual designation of the parking slots shall be determined upon completion of the final plans and shall be incorporated in a supplemental agreement to be executed by the Parties.

On 09 November 2009, the Issuer entered into a Memorandum of Agreement with its subsidiary Shang Properties Realty Corporation ("SPRC") (formerly, The Shang Grand Tower Corporation), wherein Issuer agreed with SPRC to develop a portion of Issuer's Property located at Edsa cor. Shaw Blvd., Mandaluyong City, into another commercial/retail building ("Project") comprised of a shopping mall, parking facilities, and high-rise residential condominium building to be known as "One Shangri-La Place". This MOA was rescinded by the Parties on 20 September 2013, wherein SPRC purchased the land from Issuer to become both the landowner and developer of the Project.

With Issuer's affiliates:

- a. Edsa Shangri-La Hotel & Resort, Inc.

The Issuer leased a portion of its land to an affiliate, Edsa Shangri-La Hotel & Resort, Inc., where the latter's Edsa Shangri-La Hotel is located. The lease is for a period of twenty five (25) years commencing on 28 August 1992, renewable for another twenty five years at the option of the lessee. Rental income is computed on a fixed percentage of the Hotel's room, food and beverage, dry goods and other service payments.

- b. With other affiliates:

On 1 January 2001, the Issuer entered into a cost sharing agreement with SLPC and other related companies for the services rendered by the officers of the Company to its related companies. Other transactions with related companies substantially consist of reimbursement of expenses paid for by the Issuer in behalf of its affiliates and vice-versa.

Between Issuer's Affiliates:

- a. Shang Property Management Services Corporation entered into a Memorandum of Agreement with KSA Realty Corporation, pursuant to which the former shall assist the latter in managing and administering the leasing operations of The Enterprise Center.
- b. Shang Property Management Services Corporation entered into a Memorandum of Agreement with The Enterprise Center Condominium Corporation pursuant to which the former shall assist the latter in managing and administering the condominium development known as The Enterprise Center, specifically with respect to the common areas thereof.
- c. Shang Property Management Services Corporation entered into a Memorandum of Agreement with The St. Francis Shangri-La Place Condominium Corporation pursuant to which the former shall assist the latter in managing and administering the condominium development known as The Enterprise Center, specifically with respect to the common areas thereof.
- d. SPI Parking Services, Inc. entered into a Memorandum of Agreement with KSA Realty Corporation, with conformity of The Enterprise Center Condominium Corporation, to administer, manage and operate the TEC Parking Slots as a pay parking facility under a mutually agreeable remuneration scheme.

As noted above, on 02 September 2014, the SEC approved the merger between Shang Global City Properties, Inc., and Fort Bonifacio Shangri-La Hotel, Inc., with Shang Global City Properties, Inc., as the surviving entity. Other than

this merger, Issuer's other subsidiaries have not undergone any material reclassification, merger, consolidation or purchase or sale of a significant amount of assets not classified as ordinary.

Directors and Executive Officers

CHANGES IN CONTROL

As regards changes in control, there are no pending or proposed changes which will affect the Registrant.

The Directors, Independent Directors and Executive Officers of the Registrant *with their business experience for the last five years* are as follows:

Name	Citizenship	Director/ No. of Years	Age	Office Held	Directorship in other reporting (Listed) Companies
Edward Kuok Khoon Loong	Malaysian	Yes /25 yrs. & 1 mo.	64	Chairman	None
Alfredo C. Ramos	Filipino	Yes /28 yrs. & 9 mos.	73	Vice Chairman	Anglo Philippine Holdings Corp., The Philodrill Corp., Vulcan and Industrial Mining and Development Corp., Penta Capital Holdings Corp., Philippine Seven Corp.
Cynthia R. Del Castillo	Filipino	Yes /15 yrs. & 9 mos.	64		Sanitary Wares & Mfg. Corp.
Benjamin I. Ramos	Filipino	Yes /6 yrs. & 7 mos.	47		None
Wilfred Shan Chen Woo	Canadian	Yes/5 yrs. & 7 mos.	59		None
Danila Reginal. Fojas	Filipino	Yes/14 yrs. & 9 mos.	63		None
Kin Sun Andrew Ng	British Hong Kong	Yes/11 yrs. & 9 mos.	60	Group Financial Controller	None
Federico G. Noel, Jr.	Filipino	Yes /17 yrs. & 5 mos.	55	Corporate Secretary	None
Maria Myla Rae S. Orden	Filipino	(No)	51	Asst. Corp. Secretary	None
*Wilkie Lee		RESIGNED AS OF 14 SEPTEMBER 2016			
Johnny O. Cobankiat***	Filipino	Yes /9 yrs. & 10 mos.	66		None
Antonio O. Cojuangco***	Filipino	Yes /9 yrs. & 7 mos.	65		None
Ho Shut Kan	New Zealand	Yes /6 yrs. & 9 mos.	66		None
*Manuel M. Cosico		RESIGNED AS OF 14 SEPTEMBER 2016			
Koay Kean Coon	Malaysian	Yes/3 yrs. & 9 mos.	61	Senior Project Director	None
Maximo G. Licaucio III	Filipino	Yes/3 yrs. & 4 mos.	67		None
**Gregory Allan Dogan	British	8 mos	52		None
** Karlo Marco P. Estavillo	Filipino	8 mos	45	Treasurer/Chief Finance Officer and Chief Operating Officer	None

Edward Kuok Khoon Loong is the Chairman of the Company and also Vice Chairman of Kerry Holdings Limited. He has been with the Kuok Group since 1978. He has a Master's degree in Economics from the University of Wales in the United Kingdom.

Alfredo C. Ramos is the Vice Chairman of the Company. He is the Chairman of the Board of Anglo Philippine Holdings, Inc., Anvil Publishing, Inc., Carmen Copper Corporation, NBS Express, Inc. and Vulcan Materials Corporation. He is the Chairman

and President of Atlas Consolidated Mining & Development Corporation, The Philodrill Corporation, National Book Store, Inc., Vulcan Industrial & Mining Corporation and United Paragon Mining Corporation. He is also the President of Abacus Book & Card Corporation, Crossings Department Store Corp., Power Books, Inc., and MRT Holdings Inc. He is Vice Chairman of Shangri-La Plaza Corporation, MRT Development Corporation, Metro Rail Transit Corporation and LR Publications, Inc.

Johnny O. Cobankiat is President of Co Ban Kiat Hardware, Inc., Ace Hardware, Philippines, and Coby's Marketing Corp. He is Vice Chairman of the Federation of Filipino-Chinese Chamber of Commerce, Director of R. Nubla Securities, Inc. and of the Philippine Hardware Association.

Antonio O. Cojuangco is the Chairman of Ballet Philippines, CAP Life Insurance Corporation, Cinemalaya Foundation, Mantrade Development Corporation, Nabasan Subic Development Corporation, Radio Veritas, Tanghalang Pilipino, Air Asia Phil. Inc. and Directories Philippines Corporation. He is the President and Director of Calatagan Golf Club Inc. and Canlubang Golf and Country Club.

Cynthia Roxas Del Castillo is a Partner at Romulo, Mabanta, Buenaventura, Sayoc & de los Angeles and has been with the firm for over 30 years. She served as Dean of the Ateneo Law School from 1990 to 2000 and as a Professor of Civil Law and Securities Regulation. She holds an LL.B from Ateneo, graduated Valedictorian in 1976 and placed 11th in the 1976 Bar Examinations. She currently serves as Corporate Secretary and Director of other various Philippine corporations.

Benjamin I. Ramos is the President of ROI Corp., an investment company. He was previously the President of Powerbooks, Inc., and also President of Tokyo, Tokyo, Inc., the largest Japanese fast food chain in the Philippines. He has an MBA from the Stanford Graduate School of Business.

Ho Shut Kan is co-managing director of Kerry Properties Limited [KPL]. He is responsible for overseeing the operation of the project companies and the projects of the Group in Hong Kong, Macau and overseas. He is a non-executive director of Eagle Asset Management (CP) Limited, the manager of Champion Real Estate Investment Trust, which is listed in Hong Kong.

Wilfred Shan Chen Woo is the Executive Assistant to the Chairman of the Board. He is a member of the Institute of Chartered Accountants of British Columbia as well as a member of the Canadian Institute of Chartered Accountants since 1985. He graduated in 1982 from the University of British Columbia in Vancouver, Canada with a Bachelor's Degree in Commerce, majoring in Accounting and Management Information Systems.

Danila Regina I. Fojas is the Executive Vice President and General Manager of Shangri-La Plaza Corporation. Her core expertise is in general and marketing management. In her previous capacity as a corporate officer of San Miguel Corporation and its subsidiaries, she assumed various marketing positions in the Philippines, Indonesia and the international beer operations based in Hong Kong. She is the first female to graduate with honors at the Asian Institute of Management, where she also held two concurrent positions as core faculty member and Executive Managing Director for Marketing and Customer Relations. She completed her Master's in Business Management with Distinction in 1978 and participated in the one-year advanced top management course in economics and business development at the University of the Asia and the Pacific in 1993. She is also a Director of KSA Realty Corporation.

Kin Sun Andrew Ng is a Director and Group Financial Controller. He also serves as Director on the various boards of Shang Properties affiliates and subsidiaries. Prior to joining the Kerry Group in Hong Kong in 1993, he worked for one of the largest audit firms in Hong Kong, handling audit, taxation and accounting. He is an associate member of the Hong Kong Society of Accountants and a fellow member of the Association of Chartered Certified Accountants in the U.K. He graduated from the Hong Kong Shue Yan University with a degree in Accounting.

Federico G. Noel, Jr. is the General Counsel of the Company. He is also the Corporate Secretary and Legal Counsel for the other Kuok Group companies in the Philippines including the Shangri-La Plaza Corporation and the Shangri-La Hotels. He graduated from the Ateneo Law School in 1991 with a Juris Doctor degree.

Maximo G. Licaucio III is a Director of The Philodrill Corporation. He is also President of Filstar Distributors Corporation (Hallmark Licensee) and Area Vice President of National Book Store, Inc.

Koay Kean Choon is the Senior Project Manager of Issuer. He worked as M & E Manager with Kerry Project Management Ltd. Hong Kong and as Senior Project Manager from 2000-2011 for Shangri-La Hotel Management Ltd.

Karlo Marco P. Estavillo served as General Manager of San Miguel Properties, Inc., and a member of the Board of Directors of United Coconut Planters Bank, Cocolife, and UCPB General Insurance, Inc. He received a Bachelor of

Laws Degree from the University of the Philippines College of Law and Bachelor of Science in Business Management from the Ateneo de Manila University.

Gregory Allan Dogan served as the Chief Executive Officer and President of Shangri-La Hotel Public Company Limited and Shangri-La International Hotel Management Ltd. And as the Chief Operating Officer of Shangri-La International Hotel Management Ltd. He has over 25 years of experience in the hospitality industry. He has also held senior property management positions, including Vice President and General Manager of Makati Shangri-La, Manila. He joined the Shangri-La Group in 1997 as Executive Assistant Manager of Mactan Island Resort, Cebu. His hospitality career has spanned Asia, Europe, and the Middle East.

Maria Myla Rae S. Orden is Assistant Corporate Secretary and has been the Assistant General Counsel of the Company for the past 15 years.

*Mr. Wilkie Lee and Mr. Manuel M. Cosico resigned from the Board as of 14 September 2016. Elected in their stead during the 14 September 2016 meeting of the Board were Mr. Gregory Allan Dogan and Mr. Karlo Marco P. Estavillo

*** Messrs. Johnny Cobankiat, Antonio Cojuangco were elected independent directors. All of the foregoing independent directors have no relationship with Ideal Sites and Properties, Inc., either as directors or officers.

The Directors of the Company are elected during each regular meeting of stockholders and shall hold office for one (1) year and until their successors are elected and qualified.

(2) Significant Employees

Issuer does not have an employee who is not an executive officer who is expected to make a significant contribution to the business of Issuer. There are also no key personnel on whom the business of the Issuer is highly dependent such as to merit any special arrangement.

(3) Family Relationships

Mr. Benjamin Ramos is the nephew of Mr. Alfredo Ramos. Mr. Maximo G. Licauco III is the brother-in-law of Mr. Alfredo Ramos.

(4) Involvement in Certain Legal Proceedings

- (A) None of the directors or executive officers of the Issuer has had any bankruptcy petition filed by or against any business of which such director or executive officer was a general partner or executive officer either at the time of bankruptcy or within two years to that time;
- (B) None of the directors or executive officers of the Issuer has had any conviction by final judgment in a criminal proceedings, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- (C) None of the directors or executive officers of the Issuer has been subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities;
- (D) None of the directors or executive officers of the Issuer has been found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or self-regulatory organization, to have violated a securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

Nomination of Regular (Non-independent) and Independent Directors

Pursuant to the SEC approved Amended by-Laws of the Registrant wherein new provisions on the nomination and election of the regular and independent members of the Board of Directors were added in compliance with the SRC and SEC Rules and Regulations, the Registrant duly published in a newspaper of general circulation the Notice to Stockholders calling for nominations for regular and independent members of the Registrant's Board of Directors who shall be elected during the Annual Stockholders

Meeting on 20 JUNE 2017 (published on 20 April 2017 in The Manila Times). All nominations received by the Corporate Secretary of Registrant shall be forwarded to the Nomination Committee for evaluation not later than 20 MAY 2017 in accordance with the nomination guidelines set forth in the Amended By-Laws.

The specific wordings of Article III, Section 2 of the Issuer's Amended By-Laws setting out the following guidelines and procedures for the nomination and election of the Issuer's regular and independent directors are as follows:

Section 2(a). Election of Independent Directors and their qualification. - Pursuant to the provisions of the Securities Regulation Code and the pertinent regulations of the Securities and Exchange Commission, the Corporation's Board of Directors shall have at least two (2) independent directors or such number of independent directors as corresponds to at least twenty (20%) of the Corporation's board size, whichever is lesser. The independent directors shall be elected in the same manner as the other members of the Board of Directors as provided in these By-Laws.

Section 2(b). Qualification and Disqualification of Independent Director – Any stockholder having at least one (1) share registered in his name may be elected Independent Director, provided, however, that no person shall qualify or be eligible for nomination or election as Independent Director if he is engaged in any business which competes with or is antagonistic to that of the Corporation. Without limiting the generality of the foregoing, a person shall be deemed to be so engaged:

- (i) If he is an officer, manager or controlling person of, or the owner (either of record or beneficially) of 10% or more of any outstanding class of shares of any corporation (other than one in which the corporation owns at least 40% of the capital stock) engaged in the business which the Board of Directors, by at least three-fourths vote, determines to be competitive or antagonistic to that of the Corporation; or
- (ii) If he is an officer, manager or controlling person of, or the owner (either of record or beneficially) of 10% or more of any outstanding class of shares of, any other corporation or entity engaged in any line of business of the Corporation, when in the judgment of the Board of Directors, by at least two-thirds (2/3) vote, the laws against combinations in restraint of trade shall be violated by such person's membership in the Board of Directors; or
- (iii) If the Board of Directors, in the exercise of its judgment in good faith, determine by at least two-thirds (2/3) vote that he is the nominee of any person set forth in (i) or (ii) above.

In determining whether or not a person is a controlling person, beneficial owner, or the nominee of another, the Board of Directors may take into account such factors as business and family relationship.

For the proper implementation of this provision, all nominations for the election of Independent Directors shall follow the procedure described below."

Section 2 (c). The Board of Directors shall constitute, from among themselves, a Nomination Committee. The Nomination Committee shall have at least three (3) members, one of whom is an independent director. It shall promulgate the guidelines or criteria to govern the conduct of the nominations for both regular and independent directors, which shall include the following:

- (i) The nomination of regular and independent directors shall be conducted by the Nomination Committee prior to a stockholders' meeting. All nominations shall be signed by the nominating stockholders together with the acceptance and conformity by the would-be nominee.
- (ii) The Nomination Committee shall pre-screen the qualifications and prepare a final list of all candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for regular and independent director/s.
- (iii) After the nomination, the Nomination Committee shall prepare a Final List of Candidates for regular and independent directors which shall contain all the following information about all the nominees:
 - Names, ages, and citizenship of all nominees;
 - Positions and offices that each nominee has held, or will hold if known;
 - Term of office and the period during which the nominee has served as director;
 - Business experience during the past five (5) years;
 - Other directorships held in SEC reporting companies, naming each company;
 - Family relationships up to the fourth civil degree either by consanguinity or affinity among directors, executive officers, or persons chosen by the company to become directors or executive officers;

- Involvement in legal proceedings, i.e., a description of any of the following events that occurred during the past five (5) years up to the latest date that are material to an evaluation of the ability of integrity of any director, any nominee for election as director, executive officer, underwriter or control person of the company:
- Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- Any conviction by final judgment, including the nature of the offense, in a criminal proceedings, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- Being subject to any order, judgment, or decree, not subsequently reversed, suspended, or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and
- Being found by a domestic or foreign of competent jurisdiction (in a civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.
- Disclosure if owning directly or indirectly as record and/or beneficial owner of any class of the company's voting securities;
- Disclosure of owning voting trust of more than 5% of the company's securities; and
- Any such other information as may be required to be disclosed by the Securities and Exchange Commission although not expressly provided for above.

The Nomination Committee is chaired by Mr. Edward Kuok Khoon Loong, while the Committee Members are Ms. Cynthia N. Del Castillo, Federico G. Noel, Jr., and Antonio O. Cojuangco.

The deadline for the submission of nominations to the Nomination Committee is on 20 MAY 2017 or after the filing of the Preliminary Information Statement. The full list of nominees will be disclosed in the Definitive Information Statement

Involvement in Certain Legal Proceedings

- (i) On 14 July 1993, a complaint was initially filed before the Pasig Regional Trial Court (RTC-Pasig) by the principal contractor of the Shangri-La Plaza Mall against the Issuer and its Board of Directors for the recovery of the balance of alleged unpaid construction work, compensatory and moral damages, legal fees, and litigation costs. On 27 October 1998, the RTC-Pasig issued an order directing the parties to arbitrate their dispute under the Arbitration Law. On July 31, 2006, the Arbitral Tribunal that was constituted by the Parties, ordered BF Corporation to file its Statement of Claims, and the Issuer and the other defendants to file their respective Answers thereafter. BF had increased its claims for unpaid billings, change orders, damages, etc., to a total of about P228.6 million. Issuer and the other defendants have put forth counterclaims in the total amount of about P380 million. After due hearings on arbitration and the submission by the Parties of their respective memoranda, the Arbitral Tribunal, in its Decision dated 31 July 2007, ruled that BF is entitled to an award of only P46,905,987.79, while Issuer is entitled to an award of P8,387,484.06. Both Parties have appealed the Decision of the Arbitral Tribunal to the Court of Appeals and the same are pending with said body to date.
- (ii) On November 23, 2005, Issuer together with The Shang Grand Tower Corporation (a subsidiary of Issuer) (now the Shang Properties Realty Corporation), were named respondents in a case before the Bureau of Legal Affairs of the Intellectual Property Office of the Philippines (BLA-IPPHIL), entitled "ASB Development Corporation v. The Shang Grand Tower Corporation and Edsa Properties Holdings, Inc., for unfair competition, false and fraudulent declaration and damages with application for issuance of a Temporary Restraining Order and Writ of Preliminary Injunction." Complainant ASB alleges that Respondents committed acts of unfair competition and false and fraudulent declaration by the Respondents' use of the terms "St. Francis" for their residential condominium project located along St. Francis St. cor. Shaw Blvd., Mandaluyong City. Issuer is the project owner, while TSGTC is the project developer. On December 19, 2006, the BLA-IPPHIL rendered its decision and ruled that Respondents cannot use the name "St. Francis Towers", but they can use the name "St. Francis - Shangri-La Place". The BLA, however, did not award any damages to ASB stating that no evidence was presented by ASB as to the amount of damages it suffered. Respondents and ASB have both partially appealed the BLA Decision. The Office of the Director General promulgated its Decision on 03 September 2008. ASB appealed said Decision before the Court of Appeals. The Court of Appeals having issued its Decision on 18 December 2009 favoring ASB's position, TSGTC (now SPRC), appealed the same to the Supreme Court. The Supreme Court, in its 21 July 2014 DECISION, which has attained FINALITY, decided in favor of Issuer, and exonerated issuer from charges of unfair competition. Despite the finality of the SC's Decision in this case, there remained an offshoot case pending with the Court of Appeals which has its roots in the opposition filed by ASB (now St. Francis Square

Development Corporation) to the use by SPRC of the mark "St. Francis-Shangri-La Place." *In the said offshoot case, the Supreme Court issued a Resolution Dated 16 March 2016, denied with finality St Francis Square Development Corporation's Motion for Reconsideration, and ordered the entry of final judgment. This case is entitled SFSDC v. TSGTC q.r. 220346. Last 18 april 2016, the Supreme Court, via its Notice dated 16 March 2016, had denied with finality, SFSDC's further Motion for Reconsideration and categorically ruled that no further pleadings or motions will be entertained. Issuer to date is still awaiting the Supreme Court's Entry of Final Judgement.*

The Issuer is not involved in any litigation / legal proceedings with any third party other than the two (2) cases described above, up to the latest date.

Information on Cases, Judgments, Decrees, etc., Against Registrant's Directors and Executive Officers.

None of the directors or executive officers of the Registrant has had any bankruptcy petition filed by or against any business of which such director or executive officer was a general partner or executive officer either at the time of bankruptcy or within five (5) years up to the latest date; None of the directors or executive officers of the Registrant has had any conviction by final judgment in a criminal proceedings, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses; None of the directors or executive officers of the Registrant has been subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and None of the directors or executive officers of the Registrant has been found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or self regulatory organization, to have violated a securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

As to the disclosures required in Item 1 of Part IV, Paragraph (D), there are no disclosable transactions as regards the requested disclosures in this item given that Registrant has no transaction or proposed transactions to which Registrant was or is to be a party, in which any of the following persons had or is to have a direct or indirect material interest: (i) any director or executive officer of the Registrant; (ii) any nominee for election as a director; (iii) any security holder named in response to Part IV, paragraph I, or (iv) any member of the immediate family of the persons aforementioned.

The information above is true during the past five (5) years up to the latest date.

Parents of Registrant

Travel Aim Investments B.V. is a wholly-owned subsidiary of Kerry Properties Limited (KPL). KPL is a Bermuda Company incorporated in 1996 and listed on the Hong Kong Stock Exchange. The Company was formed to hold the Hong Kong and Mainland China property investments and developments and infrastructure interests of the Kuok Group. KPL has the power to vote the shares of Travel Aim.

Ideal Sites and Properties Inc. is a Philippine company incorporated in 1989. It is affiliated with the Kuok Group and was formed to primarily engage in property development and investments. Shang Properties, Inc., and Oro Group Ventures, Inc. are the major shareholders of Ideal.

National Bookstore, Inc., is a closed Philippine company which owns the Philippines' biggest chain of bookstores. The Ramos family controls National Bookstore and has the power to vote its shares.

Resignation of Director Since the Last Annual Shareholders' Meeting

Mr. Wilkie Lee and Mr. Manuel M. Cosico resigned as directors as of 14 September 2016. Mr. Gregory Allan Dogan and Mr. Karlo P. Estavillo were elected by the Board of Directors during its 14 September 2016 meeting to replace Messrs. Lee and Cosico.

Proxy Solicitations

No proxy solicitations will be made by the Registrant.

Compensation of Directors and Executive Officers

The following is a summary of the aggregate compensation paid or accrued during the last two (2) fiscal years, i.e. 2015 and 2016 and to be paid in the ensuing fiscal year 2017 to the Company's Chief Executive Officer and four (4) other most highly compensated executive officers who are individually named, and to all other officers and directors of the Company as a group:

OFFICERS/DIRECTORS	FISCAL YEAR	AGGREGATE COMPENSATION (in P)		
		Basic	Bonus	Total
2017		66,846,557.67	22,498,433.00	89,344,990.67
Kin Sun Andrew Ng, Group Financial Controller				
Federico G. Noel, Jr., Corporate Legal Counsel				
Koay Kean Choon, Senior Project Director				
Danila Regina I. Fojas, Executive Vice President				
Karlo Marco P. Estavillo, Treasurer/Chief Finance Officer and Chief Operating Officer				
2016		44,242,709.33	19,551,119.69	63,793,829.02
Kin Sun Andrew Ng, Group Financial Controller				
Federico G. Noel, Jr., Corporate Legal Counsel				
Koay Kean Choon, Senior Project Director				
Danila Regina I. Fojas, Executive Vice President				
2015	2015	37,338,106.00	15,249,285.07	52,587,391.07
Kin Sun Andrew Ng, Group Financial Controller				
Federico G. Noel, Jr., Corporate Legal Counsel				
Eden Lin, Project Manager				
Danila Regina I. Fojas, Executive Vice President				

Compensation Plans

No actions will be taken by Registrant during the Annual Stockholders Meeting as regards any bonus, profit sharing or other compensation plan, contract or arrangement in which any director, nominee for election as a director, or executive officer of the registrant will participate, any pension or retirement plan in which any such person will participate, or the granting or extension to any such person of any option/s, warrant/s or right/s to purchase any securities. The members of the board are not paid per diem for their attendance to board meetings.

Independent Public Accountants

The Registrant has had no disagreements with its Accountants Sycip Gorres Velayo & Co. The representatives of said Accountants will be present during the annual stockholders' meeting, and shall have the opportunity to make a statement if they desire to do so. They shall also be available to respond to appropriate questions.

The Issuer has had no disagreements with its Accountants SGV & Co. The Issuer is compliant with the SRC rule 68, as amended, par 3(b)(iv), and has observed the rotation of signing partners for its Independent Public Accountants, SGV. With respect to SGV, the signing partner *starting FY 2016 is ADELIN D. LUMBRES, replacing ARNEL F. DE JESUS, who has been the signing partner for five years, in compliance with the SEC's rotation requirement.* SGV is a SEC-accredited external auditing firm for the period *10 November 2015 until 09 November 2018. SGV will be recommended for re-appointment as External Auditor for the year 2017-2018 during the Annual Stockholders' Meeting on 20 JUNE 2017.*

AUDIT COMMITTEE

Pursuant to the provisions of Registrant's Manual of Corporate Governance, the Registrant has an Audit Committee which is chaired by Mr. Johnny Cobankiat who is an independent director and co-chaired by Mr. Maximo Licaucó III. Manuel M. Cosico is a member of the Committee (no replacement has been elected in place of Mr. Cosico since his resignation last 14 September

2016). (Per Registrant's Manual of Corporate Governance Provisions prior to the 2017 Manual of Corporate Governance, the Audit Committee shall be composed of at least three members of the Board, one of whom shall be an independent director. Mr. Johnny Cobankiat and George Go are independent directors).

C. ISSUANCE AND EXCHANGE OF SECURITIES

The merger of Registrant and Kuok Philippine Properties, Inc. ("KPPI"), with the Registrant as the surviving entity, and KPPI as the absorbed entity, was duly approved by the SEC on 25 July 2007. Pursuant to the Plan of Merger of Registrant and KPPI, as approved by the Board of Directors of Registrant, all KPPI shareholders as of the date of approval by the Securities and Exchange Commission of the Merger ("Record Date"), were entitled to exchange every seven (7) of their KPPI shares with one (1) share of the Registrant. Fractional shares (shares less than 7) held by the qualified KPPI shareholders were paid by the Registrant in cash. The shares of the Registrant which was issued to the KPPI shareholders was taken from out of an increase in the Authorized Capital Stock of the Registrant from ₱6,000,000,000.00 (representing 6,000,000,000 common shares at ₱1.00 par value per share) to ₱8,000,000,000.00 (representing 8,000,000,000 common shares at ₱1.00 par value per share), which increase in the Authorized Capital Stock has been duly approved by the SEC. All shares issued to KPPI shareholders have been duly listed with the Philippine Stock Exchange.

Only common shares were issued which shall enjoy the same rights (dividend, voting, and other rights) as those common shares of the Registrant already issued and outstanding. No preferred shares will be issued on account of the increase in the Authorized Capital Stock.

As regards dividends, the dividend policy of the Registrant is as set forth in Article VIII of its By-Laws which states that dividends shall be declared and paid out of the unrestricted retained earnings which shall be payable in cash, property, or stock to all shareholders on the basis of outstanding stock held by them, as often and at such times as the Board of Directors may determine and in accordance with existing laws.

The pre-emptive rights of all common shareholders of the Registrant (old and new) are denied in Article Seventh of the Articles of Incorporation of Registrant, which states that "No holder of shares of the Corporation shall have, as such holder, any pre-emptive right to acquire, purchase, or subscribe to any share of the capital stock of the Corporation which it may issue or sell, whether out of the number of shares authorized by these Articles of Incorporation as originally filed, or by any amendment thereof, or out of the shares of the capital stock of the Corporation acquired by it after the issuance thereof."

There are no provisions in the By-Laws of Registrant that would delay, defer, or prevent a change in control of the Registrant.

No dividends in arrears or defaults in principal interest

The Registrant has no dividends in arrears or defaults in principal or interest in respect of any of their respective securities.

Cash Dividends Declared By The Issuer During The Two Most Recent Years

2017

- During the regular meeting of the Issuer's Board held on 15 March 2017, the Board approved the declaration of P0.095 per share cash dividend to all shareholders of record as of 31 March 2017, to be taken from the unrestricted retained earnings as reflected in the audited financial statements of the Issuer as of 31 December 2016, to be paid on or before 07 April 2017.

2016

- During the regular meeting of the Issuer's Board held on 04 March 2016, the Board approved the declaration of P0.095 per share cash dividend to all shareholders of record as of 21 March 2016, to be taken from the unrestricted retained earnings as reflected in the audited financial statements of the Issuer as of 31 December 2015, to be paid on or before 08 April 2016.
- During the regular meeting of the Issuer's Board held on 14 September 2016, the Board approved the declaration of P0.070 per share cash dividend to all shareholders of record as of 30 September 2016, to be taken from the unrestricted retained earnings as reflected in the unaudited financial statements of the Issuer as of 30 June 2016, to be paid on or before 07 October 2015

2015

- During the regular meeting of the Issuer's Board held on 27 March 2015, the Board approved the declaration of P0.08500 per share cash dividend to all shareholders of record as of 15 April 2015, to be taken from the unrestricted retained earnings as reflected in the audited financial statements of the Issuer as of 31 December 2014, to be paid on or before 20 April 2015.
- During the regular meeting of the Issuer's Board held on 18 August 2015, the Board approved the declaration of P0.070 per share cash dividend to all shareholders of record as of 03 September 2015, to be taken from the unrestricted retained earnings as reflected in the audited financial statements of the Issuer as of 30 June 2015, to be paid not later than 18 September 2015.

D. OTHER MATTERS

Action with respect to Reports

As of the submission of this Preliminary Information Statement, for the agenda during the annual stockholders' meeting, the shareholders shall be requested to:

- approve the minutes of the Annual Stockholders' Meeting held on 21 JUNE 2016 which minutes reflect the following: call to order, proof of notice of meeting, certification of quorum, approval of minutes of the previous annual stockholders' meeting, approval of the Management's report of operations for 2016, ratification of the acts of the Board of Directors, election of directors, appointment of the firm of Sycip Gorres Velayo & Co. as the Registrant's External Auditors, and adjournment.
- ratify the acts of Management and the Board of Directors since the Annual Stockholders' Meeting held 21 JUNE 2016 up to the date of this year's Annual Stockholders' Meeting. The items covered with respect to this general ratification are the acts of Board of Directors in the ordinary course of business, with those acts of significance having been subject of prior disclosures to the SEC.
- approve and ratify the Registrant's Audited Financial Statements as of 31 December 2016, elect the Board of Directors for the year 2017-2018, elect the Registrant's external auditors.

As of this Preliminary Information Statement, other than the above, no other action shall be taken during the annual stockholders' meeting.

Voting Procedures

The vote of at least a majority of the stockholders present in person or by proxy and entitled to vote, a quorum being present, shall be required for approval or election. The votes shall be taken and counted viva voce, by the secretary of the Meeting.

CORPORATE GOVERNANCE MANUAL

In August 2002, the Board of Directors of the Issuer adopted its Corporate Governance Manual which it submitted to the Securities and Exchange Commission. The Manual includes provisions on:

- Compliance System
- Duties and responsibilities of Compliance Officer
- Plan for Compliance including the general responsibilities and qualifications of:
 - Board of Directors
 - Board Committees
 - Corporate Secretary
 - External Auditor
 - Internal Auditor
- Communication Process
- Training Process
- Reportorial/Disclosure System
- Monitoring Assessment

On August 3, 2005, the Board of Directors of Issuer approved the amendment of Issuer's Manual of Corporate Governance such as to add thereto provisions for the creation of a nomination committee for both regular and independent directors of Issuer, in compliance with the relevant provision of the Securities and Regulation Code.

On 17 August 2009, the Issuer's Board of Directors approved further revisions to the Issuer's Manual on Corporate Governance such as to render the same compliant with SEC Memorandum Circular No. 6, Series of 2009.

On 24 June 2014, this Issuer's Board of Directors approved the latest revisions to the Corporation's Manual on Corporate Governance in compliance with the SEC Memorandum Circular No. 9, Series of 2014.

During its meeting held on 15 March 2017, the Board approved the Issuer's 2017 Manual of Corporate Governance pursuant to Sec Memo Circular No. 19, Series of 2016.

Internal Control

In performing their duties, the Registrant's Board of Directors also acknowledge their responsibility for the Registrant's system of internal financial control. The system is designed with a view to provide reasonable assurance against any material misstatement or loss. This aims to ensure that assets of the Registrant are safeguarded, proper accounting records are maintained and that the financial information used within the business and for publication is reliable. The control system also includes clearly drawn lines of accountability and delegation of authority and comprehensive reporting and analysis against approved annual budgets.

Regular reports are also be prepared for the Board to ensure that Directors are supplied with all the information they require in timely and appropriate manner.

Audit Committee

Pursuant to its Corporate Governance Manual, the Board created an Audit Committee in August 2002. The membership in said committee is compliant with the composition set forth in the Issuer's Manual of Corporate Governance. The Committee acts in an advisory capacity and makes recommendation to the Board. It also review the findings and plans of the internal and external auditors of the Registrant and liaises, on behalf of the Board, with the auditors. The Committee meets regularly to review audit reports, status of the Registrant's audits, internal controls, interim and final financial statements prior to recommending them to the Board for approval.

The Audit Committee is scheduled to meet at least three times a year. The Committee is chaired by Johnny O. Cobankiat and co-chaired by Maximo G. Licauco III. Manuel M. Cosico is a member of the Committee.

Nomination Committee

Pursuant to its Corporate Governance Manual, the Board created a Nomination Committee. The Nomination Committee shall have at least three (3) members, one of whom is an independent director. The procedure for the nomination of regular and independent directors is detailed in the Issuer's amended Manual on Corporate Governance as well as in Issuer's amended By-Laws.

Nomination of Independent Director/s

The nomination of independent directors shall be conducted by the Committee prior to a stockholders' meeting. All recommendations shall be signed by the nominating stockholders together with the acceptance and conformity by the would-be nominee.

The Nomination Committee shall pre-screen the qualifications and prepare a final list of all candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent director/s.

DISCLOSURE OF THE LEVEL OF PUBLIC OWNERSHIP OF THE ISSUER (PER PSE MEMO NO. 2010-0505, DATED 28 OCTOBER 2010)

In compliance with PSE Memorandum No. 2010-0505 which requires the disclosure of the level of public ownership of the Issuer, as of 30 APRIL 2017, is 34.53% of the Issuer's total issued and outstanding shares is publicly owned in accordance with the PSE's guidelines for the computation of public ownership.

MARKET INFORMATION

- (a) The shares of the Issuer are listed and traded on the Philippine Stock Exchange. The high and low sales prices for each quarter within the last two (2) fiscal years of the Issuer's shares are as follows:

Year	High	Low
2016		
First Quarter	P3.22	P2.70
Second Quarter	3.41	3.02
Third Quarter	3.60	3.17
Fourth Quarter	3.32	3.19
2015		
First Quarter	P3.34	P3.10
Second Quarter	4.90	3.11
Third Quarter	3.37	3.10
Fourth Quarter	3.29	3.01

The high and low of Issuer's shares for the period 01 January 2017 to 31 March 2017 are as follows:

High: P3.45

Low: P3.21

The closing price for the Issuer's shares on 31 March 2017 is P3.39.

The high and low of Issuer's shares for 30 April 2017 are as follows:

High: P3.37

Low: P3.25

The closing price for the Issuer's shares on 30 APRIL 2017 is P3.25

PART II.

INFORMATION REQUIRED IN A PROXY FORM

Part II and its required disclosures are not relevant to the Registrant since Registrant will not be requesting or soliciting proxies.

UNDERTAKING

REGISTRANT UNDERTAKES TO PROVIDE WITHOUT CHARGE TO EACH PERSON SOLICITED, ON THE WRITTEN REQUEST OF ANY SUCH PERSON, A COPY OF THE REGISTRANT'S *ANNUAL REPORT ON SEC FORM 17-A*, AND SHALL INDICATE THE NAME AND ADDRESS OF THE PERSON TO WHOM SUCH WRITTEN REQUEST IS TO BE DIRECTED. AT THE DISCRETION OF MANAGEMENT, A CHARGE MAY BE MADE FOR EXHIBITS, PROVIDED SUCH CHARGE IS LIMITED TO REASONABLE EXPENSES INCURRED BY THE REGISTRANT IN FURNISHING SUCH EXHIBITS.

PART III.

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Mandaluyong this MAY 10 2017 day of _____ 2017.

SHANG PROPERTIES, INC.

By:


FEDERICO G. NOEL, JR.
Corporate Secretary

ADDENDUM TO THE ANNUAL REPORT

Management's Discussion and Analysis (MD & A) or Plan of Operation

Furnish the information required by Part III, Paragraph (A) of "Annex C, as amended" for the most recent fiscal year and for the immediately preceding fiscal year.

(A) Management's Discussion and Analysis (MD&A) or Plan of Operation

(1) Plan of Operation – N/A (SPI has revenue in each of the last two fiscal years)

(2) Management's Discussion and Analysis

(a) Full Fiscal Years

Key Performance Indicators

		31-Dec		%
		2016	2015	Change
Turnover	(Php M)	11,279	8,284	36.2%
Profit Attributable to shareholders	(Php M)	2,906	2,850	2.0%
Earnings per share	(Php Ctv)	0.610	0.598	2.0%
Net Asset Value per share	(Php)	5.890	5.445	8.2%
Price Earnings Ratio	(Times)	5.361	5.234	2.5%

- Turnover consists of sales of residential condominium units, rental and cinema, hotel operations, and other income. Shang Properties' total revenue increased by ₱3.0 billion (B) to ₱11.3B for calendar year 2016 from ₱8.3B total revenues for calendar year 2015. Sales of residential condominium units accounted for ₱6.1B or 54.1% of the total revenue. Revenue from leasing operations amounted to ₱2.9B, higher by ₱155.4 million (M) from last year's ₱2.7B. In 2016, Shangri-La at Fort commenced its hotel operations and contributed revenue amounting to ₱1.3B. Other income increased by ₱43.5M.
- Profit attributable to shareholders represents net income from operations after tax of the Group. It went up by ₱56.1 or 2.0% compared with last year.
- Earnings per share of ₱0.610 were higher by 2.0% from last year's ₱0.598.
- Net Asset value per share is calculated by dividing the total net asset of the company (Total asset – Total liabilities) by the number of shares outstanding.
- Net asset value per share increased by 8.2% mainly due to higher income generated during the year and revaluation of the Group's investment properties.
- Price Earnings ratio is a valuation of the company's current share price compared to per share earnings and calculated by dividing the market value per share by the earnings per share. Price earnings ratio is

higher by 2.5% to 5.361 this year from 5.234 last year. The Group' year-end share price in 2016 is P3.27 from P3.13 in 2015.

Results of Operations

Shang Properties' consolidated net income attributable to shareholders for the year ended December 31, 2016 amounted to P2.9B, P56.1M higher than the P2.8B posted in the same period last year.

Calendar Year 2016 Compared to Calendar Year 2015

Turnover increased by P3.0B or 36.2% to P11.3B in 2016 from P8.3B in 2015, mainly due to higher revenue from condominium sales, net increase in rental revenue and revenue from hotel operations of Shangri-La at the Fort.

1. Residential condominium projects revenue of P6.1B is higher by P1.4B from last year's P4.7B mainly due to the higher sales and completion level of various projects.
2. Revenue from leasing grew by P155.4M to P2.9B mainly due to rental escalation and higher rental yields particularly from leasing operations of The Enterprise Center. In addition, Shangri-La at Fort contributed P84.6M of rental revenue from shops in the first year of its operations.
3. The revenue from hotel services of Shangri-La at the Fort contributed P1.3B as it commenced its operations in 2016.
4. Other income increased by P43.5 M mainly due to higher interest income on accretion and installment sales.

Cost of sales and services increased by P2.6B mainly due to the net effect of following:

1. Increase in cost of condominium by P1.1B mostly due higher sales of condominium units.
2. Decrease in cost of rental and cinema by P8.1M mainly due to recovery of reimbursable expenses from lower utility cost incurred as compared to same period last year.
3. Cost of hotel operation at Shangri-La at the Fort amounting to P1.5B as it commenced its operations in 2016.

Operating Expenses of the Group amounted to ₱1.2B, ₱352.9M higher compared with last year's ₱868.1M mainly due to the net effect of the following:

1. Increase in staff cost by ₱52.8M primarily due to increase in manpower to cover increased operations for hotel and ongoing developments.
2. Increase in general and administrative expense by ₱288.1M mainly due to higher administration cost incurred for ongoing projects.
3. Lower depreciation expense by ₱ 3.8M mainly due to fully depreciated equipment.
4. Increase in insurance expense by ₱16.9M particularly due to additional coverage of hotel properties.

Share in net income of associates was lower by ₱75.0M compared with last year mainly due to adjustments in fair value recognized in 2015.

Increase in interest expense and bank charges by ₱71.9M mainly due to additional bank loan availed in 2016.

Calendar Year 2015 Compared to Calendar Year 2014

The Group' gross revenue increased by ₱671.5M or 8.8% to ₱8.3B in 2015 from ₱7.6B in 2014, mainly due to higher revenue from condominium sales and net increase in rental revenue.

1. Residential condominium projects revenue of ₱4.7B is higher by ₱889.9M from last year's ₱3.8B mainly due to the higher sales and completion level of various projects.
2. Shangri-La Plaza's revenue slightly declined by ₱41.2M mainly due to temporary close down of certain areas during the year on the Main shopping mall for renovation. Business was also affected by increased competition from newly opened shopping centers in the nearby areas.
3. The office leasing operations of The Enterprise Center grew by ₱86.8M to ₱962.6M mainly due to rental escalation and higher rental yields.
4. Interest and other income decrease by ₱270.1M mainly because 2014 included gain on remeasurement of ₱824.4M arising from the acquisition of additional 20% equity interest in Shang Global City Properties and Fort Bonifacio Shangri-la Hotel from a Third Party. In 2015, the Group recorded a gain on revaluation of investment property amounting to ₱549.4M.

Total Expenses of the Group amounted to ₱3.6B, ₱99.4M lower compared with last year's ₱3.5B mainly due to the net effect of the following:

1. Increase in staff cost by ₱163.9M primarily due to increase in manpower to cover increased operations of ongoing developments.
2. Increase in general and administrative expense by ₱27.8M mainly due to higher administration cost incurred in 2015 for ongoing projects.
3. Increase in depreciation expense by ₱2.1M mainly due to the additional office improvements and transportation equipment.

4. Increase in insurance expense by ₱2.2M particularly due to additional coverage of properties.

The abovementioned increases in expenses are offset by:

5. Lower reimbursable expenses which reduced by ₱17.7M mainly due to lower electricity rates in 2015 compared with 2014.
6. Decrease in interest expense and bank charges by ₱25.5M mainly due to loan repayment during the year.
7. Cost of condominium sales reduced by ₱ 67.8M mostly due to savings in construction cost in One Shangri-la Place Project.

Share in net income of associates was higher by ₱80.4M compared with last year primarily gain in fair value adjustment of investment property of an associated company.

Provision for income tax is higher by ₱193.6 mainly due to higher taxable income generated during the period compared with the same period last year.

Calendar Year 2014 Compared to Calendar Year 2013

The Group' gross revenue increased by ₱703.7M or 10.2% to ₱7.6B in 2014 from ₱6.9B in 2013, mainly due to higher revenue from the mall and office leasing operations and other income derive from remeasurement arising from business combination.

1. Revenue from sale of residential condominium units of ₱3.8B is lower by ₱170.9M from last year's ₱3.9B mainly due to the fewer saleable units for One Shangri-la Place this year as most of the units have been sold.
2. Shangri-La Plaza's growth of ₱196.6M was mainly due to the revenue from the newly opened East Wing and rental escalation of the existing mall.
3. The office leasing operations at The Enterprise Center grew by ₱72.1M to ₱875.8M mainly due to higher average occupancy rate to 98% in 2014 from 97% in 2013.
4. Increase in rental revenue of Edsa Shangri-La Hotel by ₱7M mainly due to higher occupancy.
5. Interest and other income increased by ₱588.7M mainly due to the gain on remeasurement arising from the acquisition of additional 20% equity interest in Shang Global City Properties and Fort Bonifacio Shangri-la Hotel from a Third Party.

Total Expenses of the Group amounted to ₱3.5B. This is ₱361.5M lower compared with last year's ₱3.8B mainly due to the following:

6. Decrease in cost of condominium sales due lower sales during the year.
7. General and administrative expenses increased by ₱90.5M primarily due to increase in staff cost for additional workload.
8. Interest expense and bank charges increased by ₱42.1M mainly due to additional loan availment during the year.
9. Increase in taxes and licenses by ₱60.4M mainly due to real property taxes paid for the new East Wing Mall and higher business permits due to higher revenues.

10. Unreimbursed share in common expenses decreased by ₱10.1M mainly due to the improved occupancy of the East Wing Mall, which resulted to higher recovery of reimbursable expenses from tenants.
11. Increase in depreciation expense by ₱2.2M mainly due to the capitalized office improvements and acquisition of transportation equipment.
12. Insurance expense increased by ₱1.9M particularly due to premiums paid for the East Wing Mall.

Financial Condition

Calendar Year 2016 Compared to Calendar Year 2015

Total assets of the Company amounted to ₱61.8B, a growth of ₱2.5B, from total assets of ₱59.3B in December 31, 2015. The following are significant movements in the assets:

Decrease in financial assets at fair value through profit or loss by ₱2.3M due to fair value adjustment on marketable securities recognized during the year.

Receivables, including installment contract receivable, increased by ₱973.5M mainly due to higher sale of condominium projects and increase in advances to contractors and suppliers for the ongoing projects.

Properties held for sale increased by ₱3.5B mainly due to completion of Shangri-La at the Fort - Horizon Homes and on-going construction of the condominium projects at Shang Salcedo Place and The Rise in Makati.

Real estate development project decreased by ₱13.3B primarily due to completion of Shangri-La at the Fort project, the accumulated costs of hotel were reclassified to property and equipment and properties held for sale.

Increase in property and equipment by ₱10.3B mainly due to completion of Shangri-La at the Fort hotel project. The related cost was reclassified from real estate development project, and property and equipment.

The recognized deferred income tax assets decreased by ₱30.8M mainly due to utilization of deferred income tax asset during the year.

Increase in other noncurrent assets by ₱86.9M mainly due to higher deferred input VAT arising from purchase of capital goods.

Increase in accounts payable and other current liabilities by ₱770.0M due to additional payable to contractors for the construction of various projects.

Net decrease in installment payable of ₱92.8M was mainly due to scheduled payments made throughout 2016 totaling to ₱95.7M.

Net increase in bank loans by ₱571.8M was due to additional loan availment of Shangri-La at the Fort for property development amounting to ₱705.1M and repayment of loans totaling to ₱133.3M during 2016.

Increase in deposits from tenants, deferred lease income and advance rental by ₱155.1M was mainly due to higher deposits from new tenants of The Enterprise Center (TEC) and Shangri-La Plaza mall.

Decrease in income tax payable by ₱105.4M due to payments in 2016.

Decrease in dividends payable by ₱115.4M mainly due to payment of dividends in 2016.

Decrease in accrued employee benefits by ₱8.7M was mainly due to the payments made during the year.

Calendar Year 2015 Compared to Calendar Year 2014

Total assets of the Company amounted to ₱59.3B, a growth of ₱4.6B from total assets of ₱54.7B, in December 31, 2014. The following are significant movements in the assets:

Increase in cash and cash equivalents by ₱1.1B mainly due to higher collection from sales of condominium projects.

Receivables, including installment contract receivable, decreased by ₱1.3B mainly due to collection of installment receivables and liquidation of advances to contractors and suppliers for the completed projects.

Properties held for sale increased by ₱1.4B mainly due to on-going construction of the condominium projects at Shangri-La at the Fort, Shang Salcedo Place and The Rise in Makati.

Increase in investment in associates and joint venture by ₱81.1M mainly due to fair value adjustment of investment property of an associated company.

Increase in investment properties by ₱1.1B mainly due to fair value adjustment of properties held by the Group.

Real estate development project increased by ₱2.4B primarily due to the construction of the hotel portion of the Shangri-La at the Fort project.

Increase in property and equipment by ₱68.3M mainly due to purchase of various equipment.

The recognized deferred income tax assets decreased by ₱120.5M mainly due to difference in accounting recognition of profit between installment method versus percentage of completion method.

Increase in accounts payable and other current liabilities by ₱674M due to higher payable to contractors for the construction of various projects.

Installment payable of ₱863M was recognized during 2015 arising from the purchase of land for The Rise project.

Net increase in bank loans by ₱315.7M was due to additional loan availment by the Shangri-La at the Fort project for property development amounting to ₱2,211.5M and repayment of loans totaling to ₱1,896M during 2015.

Decrease in deferred lease income by ₱ 17.5M mainly due to amortization using a straight-line basis over the lease term.

Increase in income tax payable by ₱55.7M due to higher taxable income generated during the year.

Increase in dividends payable by ₱44.2M mainly due to additional unclaimed cash dividends during 2015.

Decrease in accrued employee benefits by ₱18.7M was mainly due to the benefit payments made during the year.

Deposit for future stock subscription amounting to ₱1,959M was converted into equity during 2015.

Calendar Year 2014 Compared to Calendar Year 2013

Shang Properties, Inc. acquired the additional 20% interest in Shang Global City Properties, Inc. (SGCPI) and Fort Bonifacio Shangri-La Hotel, Inc. (FBSHI). As a result of the acquisition, the Group obtained controlling interests in SGCPI and FBSHI owning 60% equity interest over each of the acquired entities.

Total assets of the Company amounted to ₱54.7B, a growth of ₱15.6B from total assets of ₱39B in December 31, 2013. The following are significant movements in the assets:

Increase in cash and cash equivalents by ₱1B mainly due to collection from sales of condominium projects and proceeds from bank loans.

Increase in financial assets at fair value through profit or loss by ₱2.7M to ₱33M due to the fair value adjustment on marketable securities recognized during the year.

Receivables increased by ₱628M mainly due to higher installment receivables from the sale of condominiums from various projects.

Properties held for sale increased by ₱3.3B mainly due to on-going construction of the condominium projects at Shangri-La at the Fort and The Rise in Makati.

Increase in prepayments and other current assets by ₱1.3B mainly due to higher prepaid VAT of Shang Global City Properties, Inc.

Decrease in investment in associates was mainly due to the acquisition of additional 20% equity interest in SGCPI and FBShI wherein the group obtained control over the two companies. The amount of investment in associates reclassified to investment in subsidiary amounted to

₱2B.

Real estate development project amounting to ₱11.2B pertains to the construction cost of the hotel portion of the Shangri-La at the Fort project.

The group recognized Goodwill as a result of the business combination during the year. The excess of the acquisition cost over the fair value of the identifiable assets and liabilities assumed amounted to ₱269.9M.

Refundable deposits increased by ₱31M mainly due to deposits paid for utilities by One Shangri-La Place and deposit to contractors of Shangri-La at the Fort project.

Increase in accounts payable and other current liabilities by ₱2.2B due to higher payable to contractors for the construction of various projects.

Increase in bank loans was due to the consolidation of bank the loans of the Shangri-La at the Fort project and additional loan availment by the Parent company for property development.

Increase in dividends payable by ₱83.5M due to declaration of cash dividends amounting to ₱309.4M on August 14, 2014 and ₱333.5M on February 19, 2014.

Increase in income tax payable by ₱78.2M due to higher taxable income generated during the year.

Increase in accrued employee benefits by ₱28.2M was mainly due to the increased defined benefit obligation of the Group for employee retirement, leaves and other related benefits.

Deposit for future stock subscription refers to deposit to SGCPI which will be converted into equity.

Increase in deferred liabilities by ₱1.1B was mainly due to the unrealized increase in fair value of Shangri-la at the Fort.

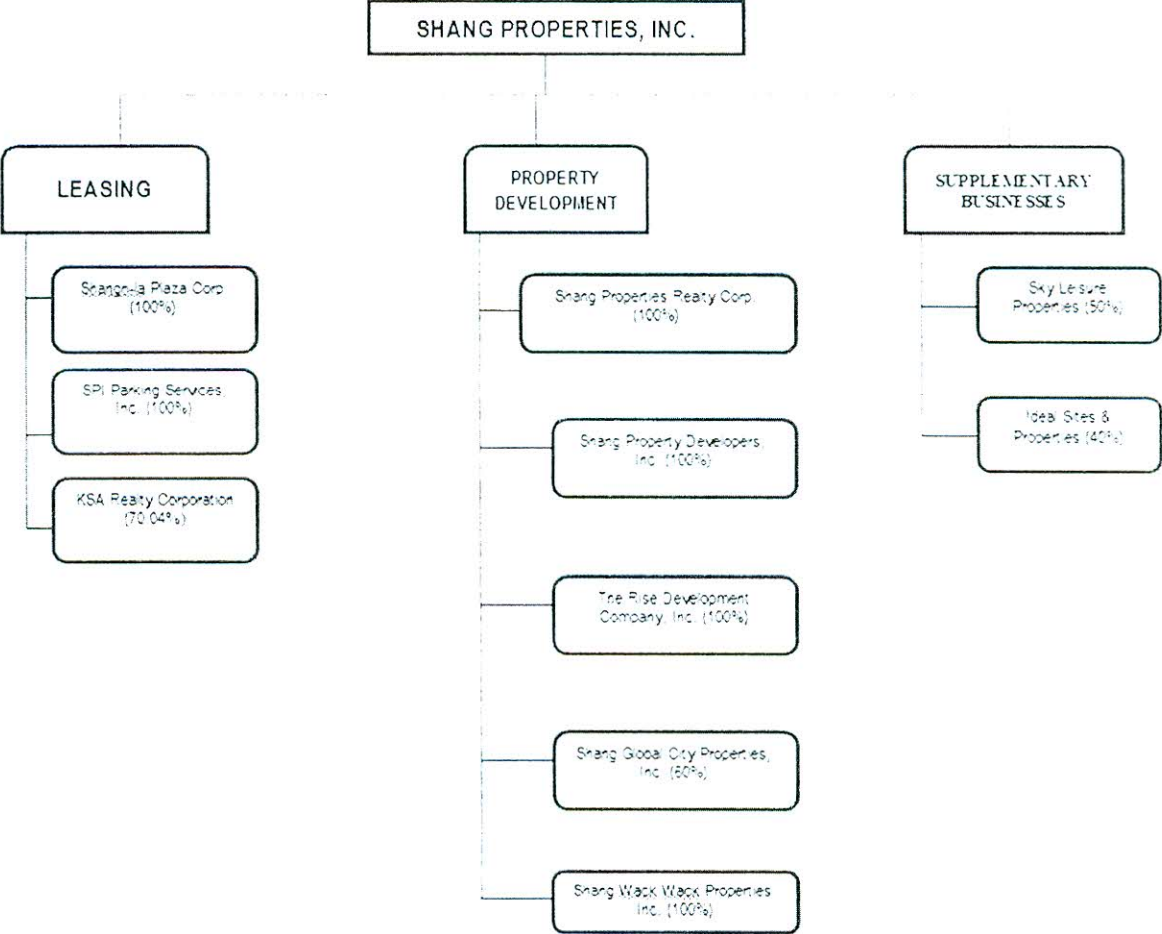
Changes in Financial Condition

Net cash provided by operating activities in 2016 amounted to ₱4.3B. The cash inflows in 2016 include collection of revenue from various condominium projects, rental revenue from mall operation of the Shangri-La Plaza and leasing operations of TEC, and hotel operations of Shangri-La at the Fort. The cash inflows in 2015 and 2014 mainly include collection of revenues from condominium units of One Shangri-La and Shang Salcedo projects, rental revenue from mall and office leasing of TEC. Net cash provided by operating activities in 2015 in 2014 amounted to ₱4.9B and ₱604.6M, respectively.

Net cash used in investing activities in 2016 amounted to ₱3.4B which was mainly used in the acquisition of investment properties and property and equipment totaling to ₱1.6B and acquisition of additional interest in a subsidiary amounting to ₱1.4B. Net cash used in investing activities in 2015 amounted to ₱2.9B which was mainly used for the acquisition of real estate development projects and investment properties. In 2014, ₱1.6B was used mainly for the acquisition of the Shangri-la at the Fort.

Net cash used in financing activities in 2016 and 2015 amounted to ₱773.3M and ₱827.1M, respectively, which was mainly used in payments of loan principal, interest and cash dividends. In 2014, net cash provided by financing activities amounted to ₱2B mainly from loan availment.

Item 3. The Parent Company's subsidiaries and associates follow:



SCHEDULE OF THE EFFECTIVE STANDARDS AND INTERPRETATIONS

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2016		Adopted	Not Adopted	Not Applicable
Framework for the Preparation and Presentation of Financial Statements Conceptual Framework Phase A: Objectives and qualitative characteristics		✓		
PFRSs Practice Statement Management Commentary				
Philippine Financial Reporting Standards				
PFRS 1 (Revised)	First-time Adoption of Philippine Financial Reporting Standards			✓
	Amendments to PFRS 1 and PAS 27: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	✓		
	Amendments to PFRS 1: Additional Exemptions for First-time Adopters			✓
	Amendment to PFRS 1: Limited Exemption from Comparative PFRS 7 Disclosures for First-time Adopters			✓
	Amendments to PFRS 1: Severe Hyperinflation and Removal of Fixed Date for First-time Adopters			✓
	Amendments to PFRS 1: Government Loans			✓
PFRS 2	Share-based Payment			✓
	Amendments to PFRS 2: Vesting Conditions and Cancellations			✓
	Amendments to PFRS 2: Group Cash-settled Share-based Payment Transactions			✓
PFRS 3 (Revised)	Business Combinations	✓		
PFRS 4	Insurance Contracts			✓
	Amendments to PAS 39 and PFRS 4: Financial Guarantee Contracts			✓
PFRS 5	Non-current Assets Held for Sale and Discontinued Operations			✓
PFRS 6	Exploration for and Evaluation of Mineral Resources			✓
PFRS 7	Financial Instruments: Disclosures	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets			✓
	Amendments to PFRS 7: Transition			✓
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets - Effective Date and Transition			✓
	Amendments to PFRS 7: Improving Disclosures about Financial Instruments	✓		
	Amendments to PFRS 7: Disclosures - Transfers of			✓

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2016		Adopted	Not Adopted	Not Applicable
	Financial Assets			
	Amendments to PFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities			✓
	Amendments to PFRS 7: Mandatory Effective Date of PFRS 9 and Transition Disclosures			✓
PFRS 8	Operating Segments	✓		
PFRS 9	Financial Instruments: Classification and Measurement of Financial Assets	✓		
	Financial Instruments: Classification and Measurement of Financial Liabilities	✓		
	Amendments to PFRS 9: Mandatory Effective Date of PFRS 9 and Transition Disclosures	✓		
	Amendments to PFRS 9: Hedge Accounting			✓
PFRS 10	Consolidated Financial Statements	✓		
	Amendments to PFRS 10: Transition Guidance			✓
	Amendments to PFRS 10: Investment Entities			✓
	Amendments to PFRS 10: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture			✓
	Amendments to PFRS 10: Investment Entities: Applying the Consolidation Exception			✓
PFRS 11	Joint Arrangements	✓		
	Amendments to PFRS 11: Transition Guidance			✓
	Amendments to PFRS 11: Accounting for Acquisitions of Interests in Joint Operations			✓
PFRS 12	Disclosure of Interests in Other Entities	✓		
	Amendments to PFRS 12: Transition Guidance			✓
	Amendments to PFRS 12: Investment Entities			✓
	Amendments to PFRS 12: Investment Entities: Applying the Consolidation Exception			✓
PFRS 13	Fair Value Measurement	✓		
Philippine Accounting Standards				
PAS 1 (Revised)	Presentation of Financial Statements	✓		
	Amendment to PAS 1: Capital Disclosures	✓		
	Amendments to PAS 32 and PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation			✓

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2016		Adopted	Not Adopted	Not Applicable
	Amendments to PAS 1: Presentation of Items of Other Comprehensive Income	✓		
	Amendments to PAS 1 (Revised): Disclosure Initiative	✓		
PAS 2	Inventories	✓		
PAS 7	Statement of Cash Flows	✓		
PAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	✓		
PAS 10	Events after the Reporting Date	✓		
PAS 11	Construction Contracts			✓
PAS 12	Income Taxes	✓		
PAS 16	Amendment to PAS 12 - Deferred Tax: Recovery of Underlying Assets	✓		
	Property, Plant and Equipment	✓		
	Amendments to PAS 16: Bearer Plants			✓
	Amendments to PAS 16: Clarification of Acceptable Methods of Depreciation			✓
PAS 17	Leases	✓		
PAS 18	Revenue	✓		
PAS 19	Employee Benefits	✓		
	Amendments to PAS 19: Actuarial Gains and Losses, Group Plans and Disclosures	✓		
PAS 19 (Revised)	Employee Benefits	✓		
	Amendments to PAS 19 (Revised): Defined Benefit Plans: Employee Contributions	✓		
PAS 20	Accounting for Government Grants and Disclosure of Government Assistance			✓
PAS 21	The Effects of Changes in Foreign Exchange Rates	✓		
	Amendment: Net Investment in a Foreign Operation			✓
PAS 23 (Revised)	Borrowing Costs	✓		
PAS 24 (Revised)	Related Party Disclosures	✓		
PAS 26	Accounting and Reporting by Retirement Benefit Plans			✓
PAS 27	Separate Financial Statements	✓		

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2016		Adopted	Not Adopted	Not Applicable
(Amended)	Amendments to PAS 27 (Amended): Investment Entities			✓
	Amendments to PAS 27 (Amended): Equity Method in Separate Financial Statements			✓
PAS 28	Investments in Associates	✓		
PAS 28 (Amended)	Investments in Associates and Joint Ventures	✓		
	Amendments to PAS 28 (Amended): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	✓		
	Amendments to PAS 28 (Amended): Investment Entities: Applying the Consolidation Exception			✓
PAS 29	Financial Reporting in Hyperinflationary Economies			✓
PAS 31	Interests in Joint Ventures	✓		
PAS 32	Financial Instruments: Disclosure and Presentation	✓		
	Amendments to PAS 32 and PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation			✓
	Amendment to PAS 32: Classification of Rights Issues			✓
	Amendments to PAS 32: Offsetting Financial Assets and Financial Liabilities			✓
PAS 33	Earnings per Share	✓		
PAS 34	Interim Financial Reporting			✓
PAS 36	Impairment of Assets	✓		
	Amendments to PAS 36: Recoverable Amount Disclosures for Non-Financial Assets			✓
PAS 37	Provisions, Contingent Liabilities and Contingent Assets	✓		
PAS 38	Intangible Assets	✓		
PAS 39	Financial Instruments: Recognition and Measurement	✓		
	Amendments to PAS 39: Transition and Initial Recognition of Financial Assets and Financial Liabilities			✓
	Amendments to PAS 39: Cash Flow Hedge Accounting of Forecast Intragroup Transactions			✓
	Amendments to PAS 39: The Fair Value Option			✓
	Amendments to PAS 39 and PFRS 4: Financial Guarantee Contracts	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets – Effective Date and Transition	✓		

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2016		Adopted	Not Adopted	Not Applicable
	Amendments to Philippine Interpretation IFRIC-9 and PAS 39: Embedded Derivatives	✓		
	Amendment to PAS 39: Eligible Hedged Items			✓
	Amendments to PAS 39: Novation of Derivatives and Continuation of Hedge Accounting			✓
	Amendments to PAS 39: Hedge Accounting			✓
PAS 40	Investment Property	✓		
PAS 41	Agriculture			✓
Philippine Interpretations				
IFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities			✓
IFRIC 2	Members' Share in Co-operative Entities and Similar Instruments			✓
IFRIC 4	<i>Determining Whether an Arrangement Contains a Lease</i>	✓		
IFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds			✓
IFRIC 6	<i>Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment</i>			✓
IFRIC 7	<i>Applying the Restatement Approach under PAS 29 Financial Reporting in Hyperinflationary Economies</i>			✓
IFRIC 8	<i>Scope of PFRS 2</i>			✓
IFRIC 9	Reassessment of Embedded Derivatives	✓		
	Amendments to Philippine Interpretation IFRIC-9 and PAS 39: Embedded Derivatives	✓		
IFRIC 10	<i>Interim Financial Reporting and Impairment</i>			✓
IFRIC 11	PFRS 2- Group and Treasury Share Transactions			✓
IFRIC 12	Service Concession Arrangements			✓
IFRIC 13	Customer Loyalty Programmes			✓
IFRIC 14	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	✓		
	Amendments to Philippine Interpretations IFRIC- 14, Prepayments of a Minimum Funding Requirement			✓
IFRIC 16	Hedges of a Net Investment in a Foreign Operation			✓
IFRIC 17	Distributions of Non-cash Assets to Owners			✓
IFRIC 18	Transfers of Assets from Customers			✓
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments			✓

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2016		Adopted	Not Adopted	Not Applicable
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine			✓
SIC-7	Introduction of the Euro			✓
SIC-10	Government Assistance - No Specific Relation to Operating Activities			✓
SIC-12	Consolidation - Special Purpose Entities			✓
	Amendment to SIC - 12: Scope of SIC 12			✓
SIC-13	Jointly Controlled Entities - Non-Monetary Contributions by Venturers			✓
SIC-15	Operating Leases - Incentives			✓
SIC-25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders			✓
SIC-27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	✓		
SIC-29	Service Concession Arrangements: Disclosures			✓
SIC-31	Revenue - Barter Transactions Involving Advertising Services			✓
SIC-32	Intangible Assets - Web Site Costs			✓

SHANG PROPERTIES, INC. AND SUBSIDIARIES

PARENT COMPANY RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION

	2016	2015
Unappropriated Parent Company retained earnings, beginning	₱11,062,642,064	₱8,347,694,274
<i>Adjustments (see adjustments in previous years Reconciliations)</i>		
Cumulative change in fair value of Investment Property - net of tax	(6,937,673,109)	(6,572,345,119)
Cumulative change in fair value of Financial Asset at FVPL - net of tax	(1,143,197)	(800,238)
Unappropriated Parent Company retained earnings, as adjusted, beginning	4,123,825,758	1,774,548,917
Net income of the Parent Company closed to retained earnings	2,543,438,589	3,453,045,445
Less:		
Fair value adjustment of financial assets at FVPL	21,828	(571,261)
Fair value adjustment of investment property	(316,768,900)	(365,327,990)
Net income actually earned during the period	6,350,517,275	4,861,695,111
Less: Dividend declaration during the period	(785,716,856)	(738,097,655)
Total Parent Company retained earnings available for dividend declaration, end	₱5,564,800,419	₱4,123,597,456

Item 5. Financial soundness indicators in two comparative periods:

Financial Ratios

		Fiscal Year Ended	Fiscal Year Ended
		December 31, 2016	December 31, 2015
Liquidity Analysis Ratios:			
Current Ratio or Working Capital Ratio	Current Assets / Current Liabilities	2.09	2.08
Quick Ratio	(Current Assets - Inventory - Prepayments) / Current Liabilities	1.90	1.83
Solvency Ratio	Total Assets / Total Liabilities	2.17	2.20
Financial Leverage Ratios			
Debt Ratio	Total Debt/Total Assets	0.46	0.46
Debt-to-Equity Ratio	Total Debt/Total Stockholders' Equity	0.85	0.84
Interest Coverage	Earnings Before Interest and Taxes (EBIT) / Interest Charges	18.11	24.65
Asset to Equity Ratio	Total Assets / Total Stockholders' Equity	1.85	1.84
Profitability Ratios			
Gross Profit Margin	Sales - Cost of Goods Sold or Cost of Service / Sales	0.51	0.66
Net Profit Margin	Net Profit / Sales	0.34	0.47
Return on Assets	Net Income / Total Assets	0.05	0.05

Return on Equity	Net Income / Total Stockholders' Equity	0.09	0.09
Price/Earnings Ratio	Price Per Share / Earnings Per Common Share	5.361	5.234

Item 6. Information required by Part 111, Paragraph (A) (2) (b) of "Annex C" of SRC Rule 2

- (i) There are no known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely result in the registrant's liquidity increasing or decreasing in any material way.
- (ii) There are no known events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of obligation.
- (iii) There are no off balance sheet material transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.
- (iv) There are no material commitments for capital expenditures.
- (v) There are no known trends, events or uncertainties that have had or that are reasonably expected to have material favorable or unfavorable impact on net sales or revenues or income from continuing operations.
- (vi) There are no significant elements of income or loss that did not arise from the Registrant's continuing operations.
- (vii) Causes of material changes from period to period of FS including vertical and horizontal analysis of material item. Please see discussion under financial condition.
- (viii) There are no seasonal aspects that had a material effect on the financial statements.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure (Required by Part III (B) of "Annex C")

- (1) If during the two most recent fiscal years or any subsequent interim period, the independent accountant has resigned, was dismissed or otherwise ceased performing services, state the name of the previous accountant and the date of resignation, dismissal or cessation of performing services.

Not Applicable

- (2) Describe if there were any disagreements with the former accountant on any matter of accounting and financial disclosure.

Not Applicable

- (3) File as an exhibit to the report the letter from the former accountant addressed to the Commission stating whether it agrees with the statements made by the company and, if not, stating the respects in which it does not agree.

Not Applicable

Item 7. Information of Independent Accountant and other related matters**a. External Audit Fees and Services**

The table below sets forth the aggregate fees billed to the Company for each of the last two (2) years for professional services rendered by Sycip, Gorres Velayo & Co.:

	2016	2015
Audit Fees	4,072,287	3,782,666
Tax Consultancy Fees	565,000	203,140
	4,637,287	3,985,806

No other service was provided by external auditors to the Company for the fiscal years 2016 and 2015.

b. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None

Item 8. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

Furnish the information required by Part III, Paragraph (B) of "Annex C, as amended".

The Issuer has had no disagreements with its Accountants SGV & Co. The Issuer is compliant with the SRC rule 68, as amended, par 3(b)(iv), and has observed the rotation of signing partners for its Independent Public Accountants, SGV. With respect to SGV, the signing partner starting FY 2016 is Adeline D. Lumbres. SGV is a SEC-accredited external auditing for the period 10 November 2015, valid until 09 November 2018.

CERTIFICATION

I, **FEDERICO G. NOEL, JR.**, of legal age and with business address at Administration Offices, Shangri-La Plaza Mall, EDSA corner Shaw Boulevard, Mandaluyong City, being the duly elected Corporate Secretary of **SHANG PROPERTIES, INC.** (the "Corporation"), under oath, do hereby certify that:

1. None of the incumbent members of the Board of Directors and Executive Officers of the Corporation are connected with or work for any government agency body.
2. This Certification is issued in compliance with the requirement of the Markets and Securities Regulation Department of the Securities and Exchange Commission.

IN WITNESS WHEREOF, I have signed this Certification this MAY 10 2017 at Mandaluyong City.


FEDERICO G. NOEL, JR.
Corporate Secretary

REPUBLIC OF THE PHILIPPINES)
IN THE CITY OF MANDALUYONG)S.S.

SUBSCRIBED AND SWORN to before me in the City of Mandaluyong this MAY 10 2017 day of _____ by **FEDERICO G. NOEL, JR.**, having satisfactorily proven to me his identity through his Philippine Passport No. EB7578429 issued by the DFA NCR East on 07 March 2013 and valid until 06 March 2018, and who personally appeared before me and signed the foregoing Certification, and acknowledge that he executed the same freely and voluntarily; that he is acting as the authorized representative of Shang Properties, Inc. and that he has the authority to sign in such capacity.

Doc. No. 462;
Page No. 94;
Book No. 26;
Series of 2017.

JOVEN G. DEVILLANO
NOTARY PUBLIC FOR CITY OF MANDALUYONG
COMMISSION NO. 0285-17 UNTIL DECEMBER 31, 2016
ROLL NO. 53970
IBP LIFETIME NO. 011302 RIZAL
PTR NO. 3019108 ; 1-3-17; MANDALUYONG
MCLE COMPLIANCE NO. IV - 0014673 14 APRIL 2019
METRO MART COMPLEX, MANDALUYONG CITY

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **JOHNNY O. COBANKIAT**, Filipino, of legal age and a resident of 25 David St., Corinthian Gardens, Quezon City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am an independent director of **SHANG PROPERTIES, INC.**,
2. I am affiliated with the following companies or organizations:

Company/Organization	Position/Relationship	Period of Service
Federation of Filipino-Chinese Chamber of Commerce & Industry, Inc.	Vice Chairman	

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **SHANG PROPERTIES, INC.**, as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations and SEC issuances.
4. I am related to the following director/officer/substantial shareholder of **SHANG PROPERTIES, INC.** other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)

Name of Director/Officer/ Substantial Shareholder	Company	Nature of Relationship
N/A	N/A	N/A

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding/I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):

Offense Charged/Investigated	Tribunal or Agency Involved	Status
N/A	N/A	N/A

6. (For those in government service/affiliated with a government agency or GOCC) I have required written permission or consent from the (head of the agency/department) to be an independent director _____, pursuant to Office of the President Memorandum Circular No. 17 and section 12, Rule XVIII of the Revised Civil Service Rules.

7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation code and its implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.

8. I shall inform the Corporate Secretary of SHANG PROPERTIES, INC. of any changes in the abovementioned information within five days from its occurrence.

Done this _____ day of MAY 10 2017 at MANDALUYONG CITY


JOHNNY O. COBANKIAT
Affiant

SUBSCRIBED AND SWORN to before me this MAY 10 2017 day of _____ 2017 at MANDALUYONG CITY affiant personally appeared before me and exhibited to me Passport No. _____ issued at _____ on _____ expiring on _____.

Doc. No. 461 ;
Page No. 94 ;
Book No. 26 ;
Series of 2017.

JOVEN G. VILLANO
NOTARY PUBLIC FOR CITY OF MANDALUYONG
COMMISSION NO. 0285-17 UNTIL DECEMBER 31, 2017
ROLL NO. 53970
IBP LIFETIME NO. 011302 RIZAL
PTR NO. 3019108 ; 1-3-17; MANDALUYONG
RACLE COMPLIANCE NO. IV - 0014673 14 APRIL 2019
METRO MART COMPLEX, MANDALUYONG CITY

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **ANTONIO O. COJUANGCO**, Filipino, of legal age and a resident of 37 Cambridge Circle, North Forbes, Makati City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am an independent director of **SHANG PROPERTIES, INC.**,
2. I am affiliated with the following companies or organizations:

Company/Organization	Position/ Relationship	Period of Service
Ballet Philippines, Inc.	Chairman	
Canlubang Golf & Country Club	President & Director	Aug. 2004 – present
Calatagan Golf, Inc.	President & Director	
CAP Life Insurance	Chairman	Apr. 2000 – present
Cinemalaya Foundation	Chairman	
Directories Philippines Corporation	Chairman	
Mantrade Development Corporation	Chairman	
Nabasan Subic Development Corporation	Chairman	
Radio Veritas	Chairman	
Tanghalang Pilipino	Chairman	

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **SHANG PROPERTIES, INC.**, as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations and SEC issuances.
4. I am related to the following director/officer/substantial shareholder of **SHANG PROPERTIES, INC.** other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)

Name of Director/Officer/ Substantial Shareholder	Company	Nature of Relationship

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding/I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):

Offense Charged/Investigated	Tribunal or Agency Involved	Status

6. (For those in government service/affiliated with a government agency or GOCC) I have required written permission or consent from the (head of the agency/department) to be an independent director _____, pursuant to Office of the President Memorandum Circular No. 17 and section 12, Rule XVIII of the Revised Civil Service Rules.
7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation code and its implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of SHANG PROPERTIES, INC. of any changes in the abovementioned information within five days from its occurrence.

Done this _____ day of MAY 05 2017 at MANDALUYONG CITY


ANTONIO O. COJUANGCO
Affiant

MAY 05 2017
MANDALUYONG CITY SUBSCRIBED AND SWORN to before me this _____ day of _____ 2017 at _____ affiant personally appeared before me and exhibited to me Passport No. _____ issued at _____ on _____ expiring on _____.

Doc. No. 125 ;
Page No. 26 ;
Book No. 26 ;
Series of 2017.

JOVEN G. SIVILLANO
NOTARY PUBLIC FOR CITY OF MANDALUYONG
COMMISSION NO. 0285-17 UNTIL DECEMBER 31, 2018
ROLL NO. 53970
IBP LIFETIME NO. 011302 RIZAL
PTR NO. 3019108 ; 1-3-17; MANDALUYONG
MCLE COMPLIANCE NO. IV - 0014673 14 APRIL 2019
METRO MART COMPLEX, MANDALUYONG CITY

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **MAXIMO G. LICAUCO III**, Filipino, of legal age and a resident of 14 Anahao Street, Valle Verde IV, Pasig City 1604, after having been duly sworn to in accordance with law do hereby declare that:

1. I am an independent director of **SHANG PROPERTIES, INC.**,
2. I am affiliated with the following companies or organizations:

Company/Organization	Position/ Relationship	Period of Service
Filstar Distributors Corporation	President	23

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **SHANG PROPERTIES, INC.**, as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations and SEC issuances.
4. I am related to the following director/officer/substantial shareholder of **SHANG PROPERTIES, INC.** other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)

Name of Director/Officer/ Substantial Shareholder	Company	Nature of Relationship
Alfredo C. Ramos	National Book Store Inc.	Brother In Law
Benjamin I. Ramos		Nephew

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding/I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):

Offense Charged/Investigated	Tribunal or Agency Involved	Status
N/A	N/A	N/A

6. (For those in government service/affiliated with a government agency or GOCC) I have required written permission or consent from the (head of the agency/department) to be an independent director _____, pursuant to Office of the President Memorandum Circular No. 17 and section 12, Rule XVIII of the Revised Civil Service Rules.

7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation code and its implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of SHANG PROPERTIES, INC. of any changes in the abovementioned information within five days from its occurrence.

Done this _____ day of MAY 05 2017 at MANDALUYONG CITY



MAXIMO G. LICAUCO III
Affiant

SUBSCRIBED AND SWORN to before me this MAY 05 2017 day of _____ 2017 at MANDALUYONG CITY affiant personally appeared before me and exhibited to me Passport No. _____ issued at _____ on _____ expiring on _____.

Doc. No. 126 ;
Page No. 27 ;
Book No. 26 ;
Series of 2017.

JOVEN G. REVILLANO
NOTARY PUBLIC FOR CITY OF MANDALUYONG
COMMISSION NO. 0285-17 UNTIL DECEMBER 31, 2018
ROLL NO. 53970
IBP LIFETIME NO. 011302 RIZAL
PTR NO. 3019108 ; 1-3-17; MANDALUYONG
MCLE COMPLIANCE NO. IV - 0014673 14 APRIL 2017
METRO MART COMPLEX, MANDALUYONG CITY