

**MINUTES OF THE ANNUAL MEETING  
OF THE STOCKHOLDERS OF**

**SHANG PROPERTIES, INC.**

*Held at the Garden Ballroom, Edsa Shangri-La Hotel,  
No. 1 Gardenway, Ortigas Center, Mandaluyong City  
On 20 June 2017 at 10:00 AM.*

**Attendance:**

**3,434,644,087** shares or 72.09% of the outstanding capital stock of the Corporation entitled to vote.

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1. **Call to Order**

The Chairman of the Meeting, Mr. Alfredo C. Ramos, called the meeting to order and presided over the same. The Corporate Secretary, Mr. Federico G. Noel, Jr., recorded the minutes of the proceedings.

2. **Certification of Notice and Quorum**

As the first order of business, the Chairman called upon the Secretary to present proof that notice of the meeting had been sent out to all concerned stockholders of record in accordance with the By-Laws of the Corporation and the relevant rules of the Securities and Exchange Commission ("SEC") and to report on the attendance of the meeting.

The Secretary reported that Rizal Commercial Banking Corporation, the Transfer Agent of the Corporation, has provided proof of delivery of notices of the meeting, and that based on the Transfer Agent's certification, all notices for the meeting, together with the Information Statement, were sent to the stockholders.

The Secretary next reported that there were present in person or by proxy stockholders representing at least **3,434,644,087** shares or **72.09%** of the outstanding capital stock of the Corporation entitled to vote. Based on the foregoing, the Secretary declared that there was a quorum for the business at hand.

There being no questions on the Secretary's certification, the Chairman declared the existence of a quorum.

3. **Approval of the Minutes of the Annual Meeting of the Stockholders held on 21 June 2016**

The Secretary informed the Chairman that copies of the Minutes of the Annual Meeting of the Stockholders held on 21 June 2016, as it appears of record in the Minutes Book of the Corporation have been posted at the appropriate places and were made available to all stockholders present prior to the start of the meeting. Thereafter, the Chairman submitted the Minutes for the consideration and approval of the stockholders.



Upon motions duly made and seconded, the following resolution was passed and approved:

**STOCKHOLDERS' RESOLUTION NO. 17-01**

"RESOLVED, that the minutes of the annual meeting of the stockholders of Shang Properties, Inc. (the "Corporation") held on 21 June 2016 as it appears recorded in the Minutes Book of the Corporation be approved, confirmed and ratified".

**4. Report of Management**

The Chairman informed the shareholders that the report of Management for the year ended 31 December 2016 is incorporated in the Annual Report earlier distributed to shareholders of record together with the audited financial statements of the Corporation for the year ended 31 December 2016. The Chairman then asked if there are any questions and/or clarifications from the shareholders in respect of the Corporation's Annual Report for the year ended 31 December 2016.

Mr. Philip Turner, a stockholder, noted that as reported in the Corporation's Audited Financial Statements and the Consolidated Statements of Comprehensive Income, there was a massive increase in operating expenses from P221,094,023.00 in 2015 to P509,238,760.00 in 2016. Mr. Turner requested for clarification respecting this matter.

Mr. Kinsun Ng, Group Financial Controller, addressed Mr. Turner's query, and noted that the disparity from 2015 to 2016 was largely accounted for by expenses of the Shangri-La Hotel at the Fort which started operations in March 2016. Mr. Wilfred Woo, Director, also noted, in response to Mr. Turner, that in 2015, Shangri-La Hotel at the Fort was not yet operational, thus the smaller figure for operating expenses in said year. Mr. Woo further noted that the Corporation owns 60% of Shang Global City Properties, Inc., the company which owns the Shangri-La Hotel at the Fort and the latter's accounts are consolidated with the Corporation.

Mr. Philip Turner also asked, with reference to the recent devastating fire that consumed Grenfell Tower in London, whether any of the Group's developments are using the same type of cladding that was used in Grenfell Tower.

Mr. Greg Dogan, Director, stated that insofar as building and fire/life safety are concerned, the Group adheres to the highest standards required by Philippine Fire Code or the NFPA fire safety codes whichever is more stringent.

There being no further questions and/or clarifications from the shareholders, on motions duly made and seconded, the following resolution was passed and approved:

**STOCKHOLDERS' RESOLUTION NO. 17-02**

"RESOLVED, that the Annual Report of Shang Properties, Inc. (the 'Corporation') for the calendar year ended 31 December 2016 together with the financial statements of the Corporation, inclusive of the Consolidated Balance Sheet, Consolidated Statement of Income and Retained Earnings and Consolidated Statement of Cash Flows as of 31 December 2016 as audited by the



Corporation's independent auditor Sycip Gorres Velayo & Co., be, and the same are hereby noted and approved".

**5. Ratification of the Acts and Resolutions of the Board of Directors and Management**

The Chairman submitted for consideration and ratification of stockholders all acts and/or resolutions of the Board of Directors and Management of the Corporation for the last fiscal year up to the present stockholders' meeting.

Upon motions duly made and seconded, the stockholders unanimously approved the following resolutions:

**STOCKHOLDERS' RESOLUTION NO. 17-03**

"RESOLVED, that the minutes of the meetings of the Board of Directors of Shang Properties, Inc. (the "Corporation") since the last annual meeting of the stockholders held on 21 June 2016 up to the present stockholders' meeting as presented at this meeting, be, and the same are hereby, in all respects approved, ratified, and confirmed.

"RESOLVED, FURTHER, that all contracts, acts, proceedings, elections, and appointments heretofore made or taken by the Board of Directors and/or officers of the Company as set forth in the minutes of the meeting of the Board of Directors, and all acts and proceedings performed or taken pursuant thereto be, and the same hereby are, in all respects, approved, ratified, and confirmed."

**6. Amendment to the Articles of Incorporation**

The Corporate Secretary reported that during the 23 May 2017 meeting of the Board of Directors, the Board approved the amendment of ARTICLE SIXTH of the Corporation's Articles of Incorporation, decreasing the number of directors of the Corporation from fifteen (15) to ten (10) subject to the approval and ratification by the stockholders and the Securities and Exchange Commission, and that copies of the said resolutions were posted at the Bulletin Boards outside the venue for the stockholders meeting for the stockholders' perusal.

Upon motions duly made and seconded, the stockholders unanimously approved the following resolutions:

**STOCKHOLDERS' RESOLUTION NO. 17-04**

"RESOLVED, that ARTICLE SIXTH of the Corporation's Articles of Incorporation be amended, decreasing the number of directors of the Corporation from fifteen (15) to ten (10) so that, as amended, ARTICLE SIXTH shall read:

**SIXTH:** That the number of Directors of said Corporation shall be **ten (10)** xxx."



**7. Election of Directors for the year 2017-2018**

Upon nominations duly made and seconded, the following were unanimously elected directors of the Corporation for the year 2017-2018 to serve as such until their successors shall have been duly elected and qualified, to wit:

- 1) Edward Kuok Khoon Loong
- 2) Alfredo C. Ramos
- 3) Cynthia R. Del Castillo
- 4) Antonio O. Cojuangco
- 4) Maximo G. Licauco III
- 6) Ho Shut Kan
- 7) Benjamin I. Ramos
- 8) Wilfred Shan Chen Woo
- 9) Gregory Allan Dogan
- 10) Karlo Marco O. Estavillo

**8. Appointment of External Auditor**

Upon motion duly made and seconded, the stockholders approved the appointment of PriceWaterhouseCoopers Philippines as the external auditors of the Corporation.

**9. Question and Answer**

The Chairman invited the stockholders present to pose their questions as the Board is ready to entertain them before the meeting is adjourned.

Mr. Sam Canua, stockholder, asked the following questions: How can we ensure the safety and security of patrons of the hotels and malls, in view of the Resorts World incident, and the Grenfell fire incident in London? Are there plans to put up a hotel or resort in Entertainment City in Paranaque City? Are there plans to invest in Mindanao?

Mr. Greg Dogan said that insofar as fire/life safety and security are concerned, the Group treats this matter very seriously and it has a Fire/Life Security Management System in place. There are also competent external auditors who ensure that the system remains efficient, responsive, operational, and fully functional. Drills are also being regularly conducted to render security and safety personnel ready and equipped to respond to any situation.

With respect to investments in the Entertainment City and Mindanao, Mr. Dogan said there are no immediate plans to invest in these areas, but the Group looks at the Philippines in its totality in rendering its investment decisions.

**10. Adjournment**

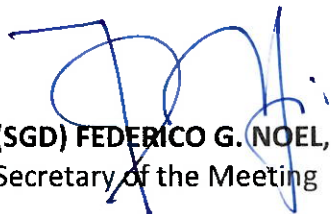
There being no further business to transact, the meeting was thereupon adjourned.



ATTESTED:



**(SGD) ALFREDO C. RAMOS**  
Chairman of the Meeting



**(SGD) FEDERICO G. NOEL, JR.**  
Secretary of the Meeting