

## **CEBU LANDMASTERS, INC.**

10<sup>th</sup> Floor Park Centrale, Cebu I.T. Park, Apas,  
Cebu City, Philippines

### **MINUTES OF THE ANNUAL STOCKHOLDERS MEETING** **30 May 2018**

The Chairman and President of the corporation, Mr. Jose R. Soberano III, called the meeting to order at around 9:21AM. The meeting was held at the 38 Park Avenue showroom in Cebu City. It started with an opening prayer led by Dir. Rufino Luis T. Manotok.

#### **ATTENDANCE**

Aside from the Chairman and President, also present were Dir. Ma. Rosario B. Soberano, Dir. Jose Franco B. Soberano, Dir. Janella Mae B. Soberano, and Dir. Manotok. Absent were Dirs. Ma. Aurora D. Geotina-Garcia and Joanna Marie B. Soberano-Bergundthal, who were both abroad, and Atty. Jose P. Soberano, Jr. (Director/Corp. Secretary), who was indisposed. In his place, Atty. Larri-Nil G. Veloso, CLI assistant corporate secretary, took the minutes of the meeting.

A total of nine (9) stockholders in person or through proxies showed up out of 208 direct and beneficial owners of CLI stocks as of 30 April 2018, the record date set for this annual meeting.

Guests included members of the media and representatives of Punongbayan & Araullo, the external/independent auditor of the corporation for fiscal year 2017.

#### **QUORUM**

When the meeting was called to order, the Assistant Corporate Secretary certified that as of 9:16AM, stockholders owning 1,001,318,198 out of 1,714,000,000 outstanding shares -- or 58% -- were present; thus, the meeting had quorum.

#### **BUSINESS TAKEN UP AT THE ANNUAL MEETING**

The meeting proceeded in accordance with the circulated agenda with the following items taken up:

##### **1. President's Report**

The President reported that since the IPO CLI has expanded aggressively and is now in seven (7) key cities in the VisMin region with 46 completed and ongoing projects. He made special mention of CLI's foray into estate planning in Davao that will turn a 20-hectare golf course in Matina area into a central business district; and a 16-hectare property near Francisco Bangoy International Airport into a university town. The latter is in partnership with the Laurel family who owns Lyceum of the Philippines, whose distinguished graduates include Philippine President Rodrigo Duterte. A copy of the President's report is available upon request.

Action Taken: None required. The report is simply noted in this minutes.

## 2. Chief Finance Officer's Report

Mr. Stephen A. Tan, CLI's CFO, shared the company's outstanding numbers in 2017. Revenue (₱3.9 billion), gross profit (₱2.04 billion), and net income after tax (₱1.29 billion) grew by at least 65% year-on-year while total assets more than doubled to ₱9 billion, the bulk of which are current assets. For the first quarter of 2018, revenue is already at ₱1.3 billion.

Mr. Tan also reported that 85% of the IPO proceeds have been used up, most of it for the acquisition of land in strategic areas across the VisMin region. Meanwhile, he also disclosed CLI's plan to issue corporate notes, which PhilRatings is giving a "Aa" rating with stable outlook. A copy of the CFO's report is available upon request.

Action Taken: None required. The report is simply noted in this minutes.

## 3. Approval of 2017 Audited Financial Statements

Action Taken: Unanimously approved by shareholders after proper motion, duly seconded.

## 4. Chief Operating Officer's report

Dir. Jose Franco B. Soberano, who is also CLI's COO, unveiled 20 projects for this year, which include Astra Centre, Radisson Red hotel, MesaVirre Tower C, Casa Mira Towers Guadalupe, The Paragon Davao, and Davao Matina Business Park. He also proudly reported that CLI is now the No.1 housing developer ahead of Ayala and No.2 for condos in Metro Cebu. Elsewhere, CLI is No.1 for condos in CDO and owns the highest monthly take-up in condo units in Davao. Lastly, he disclosed that the company's landbank has now grown to over 1 million square meters, 32% of which are in Cebu, 29% in Visayas, and 39% in Mindanao. A copy of the COO's report is available upon request.

Action Taken: None required. The report is simply noted in this minutes.

## 5. Approval and Ratification of all acts of the Board of Directors in 2017

Presented for ratification are the following acts of the Board in 2017:

- A. Purchase of a 5-hectare land in Sibulan, Negros Oriental, now the site of Casa Mira Coast, CLI's first subdivision project in Negros Island;
- B. Purchase of a 1-hectare land in Bacolod, now the site of MesaVirre, CLI's first project in the city;
- C. Reallocation of IPO proceeds:
  - i. ₱120 million intended for land purchase of a Davao residential project reallocated as investment in a joint venture that will develop the same project, now known as MesaTierra Garden Residences;
  - ii. ₱300 million intended for land purchase of a Davao mixed-use project reallocated as investment in a joint venture that will develop the same project;
  - iii. ₱130 million intended for land purchase of a Guadalupe, Cebu project site reallocated to fund either the construction of the same project or utilized for land purchase for future projects;
  - iv. ₱100 million of ₱400 million intended for land purchase of a Mactan hotel/residential project reallocated as investment in a joint venture;
  - v. ₱120 million intended for land acquisition of a Minglanilla/Talisay project reallocated as investment in a joint venture;

- vi. ₱100 million intended for a Bohol residential project reallocated to fund the following: ₱60 million for a socialized housing in Pinamalayan, Mindoro, and ₱40 million for investment in joint ventures;

D. Purchase of a 4.6-hectare land in Bogo City, Cebu, now the site of CLI's socialized housing compliance;

E. Purchase of a 7.2-hectare property in Cagayan de Oro City, now the site of Velmiro Uptown, CLI's first subdivision project in CDO; and

F. Formation of a joint venture with landowners of a 1.9-hectare property in Davao City, now the site of Paragon, a mixed-used development with hotel, convention center, and mall components.

Action Taken: Unanimously approved by shareholders after proper motion, duly seconded.

## 6. Approval of the Minutes of the previous Annual Stockholders Meeting in November

Action Taken: Unanimously approved by shareholders after proper motion, duly seconded.

## 7. Election of Directors for the 2018-19 Term

Action Taken: All incumbent directors were reelected for the 2018-19 term. Below is the summary of votes:

Name	Yes	No	Abstain
Jose R. Soberano III	1,001,346,698	Nil	Nil
Ma. Rosario B. Soberano	1,001,319,698	Nil	Nil
Jose Franco B. Soberano	1,001,315,198	Nil	Nil
Joanna Marie B. Soberano-Bergundthal	1,001,315,198	Nil	Nil
Janella Mae B. Soberano	1,001,315,198	Nil	Nil
Jose P. Soberano, Jr.	1,001,315,198	Nil	Nil
Rufino Luis T. Manotok	1,001,312,198	Nil	Nil
Ma. Aurora D. Geotina-Garcia	1,001,312,198	Nil	Nil
Jesus N. Alcordo	1,001,312,198	Nil	Nil

**8. Appointment of Independent Auditor for Fiscal Year 2017**

Action Taken: The stockholders unanimously approved the motion to defer the official re-appointment of Punongbayan & Araullo as the Independent Auditor of the company for fiscal year 2018. In lieu thereof, shareholders directed the Audit Committee to further negotiate the fee proposal of the auditing firm and delegated to the Board its official appointment at a later time after the Audit Committee shall have made its endorsement.

**9. Summary of Votes**

Prior to the start of the annual stockholders meeting, ballots were distributed to the stockholders, which contained the items requiring the votes of shareholders, the summary of which follows:

VII. Approval of Audited Financial Statements as of December 31, 2017

Yes	No	Abstain
1,001,318,198	Nil	Nil

VIII. Approval and Ratification of all acts of the Board of Directors in 2017

Yes	No	Abstain
1,001,318,198	Nil	Nil

IX. Approval of the Minutes of the last Annual Stockholders Meeting

Yes	No	Abstain
1,001,318,198	Nil	Nil

X. Election of Directors for 2018-19 Term

Please see summary of votes in Item No.7 above.

XI. Appointment of Independent Auditor for Fiscal Year 2018

Yes	No	Abstain
1,001,318,198	Nil	Nil

Prior to the meeting, the Corporate Secretary received one (1) proxy form from HSBC10, which voted all of its 3,552,644 shares in favor of all items except the “Other Matters” portion of the agenda. None of these votes, however, was counted because the designated proxies did not personally attend the meeting.

## 10. Other Matters

Before adjournment, the Chairman asked if there were matters that the shareholders would like to be taken up during the meeting or that of the Board at its regular meeting immediately after the proceedings. No one stood to offer any suggestion.

## 11. Adjournment

On motion made by Ann Margret Yap, seconded by Miguel Abas, Jr., the Chairman adjourned the annual stockholders meeting at exactly 10:09AM.

*Prepared by:*

**Atty. Larri-Nil G. Veloso**  
*For and in behalf of:*

**Atty. Jose P. Soberano, Jr.**  
*Corporate Secretary*

*Noted by:*

**Jose R. Soberano III**  
*Chairman*