

Draft only; For approval in the next stockholders' meeting.

MEGAWORLD CORPORATION
MINUTES OF THE ANNUAL MEETING OF STOCKHOLDERS

16 June 2023 / 8:30 a.m.

Conducted virtually via <https://megaworldcorp.com/asm2023>

Total Number of Outstanding and Voting Shares as of Record Date	Total Number of Shares Present	Percentage of Total
37,183,251,872	30,022,507,823	80.74%

Directors Present:

Andrew L. Tan	- Chairman and President - Executive Committee Chairman
Katherine L. Tan	- Director
Kingson U. Sian	- Director - Executive Committee Member
Enrique Santos L. Sy	- Director - Board Risk Oversight Committee and Related Party Transaction Committee Member
Jesus B. Varela	- Lead Independent Director - Audit Committee and Corporate Governance Committee Chairman
Cresencio P. Aquino	- Independent Director - Board Risk Oversight Committee Chairman - Executive Committee, Audit Committee, Corporate Governance Committee and Related Party Transaction Committee Member
Alejo L. Villanueva, Jr.	- Independent Director - Related Party Transaction Committee Chairman - Audit Committee, Corporate Governance Committee and Board Risk Oversight Committee Member

Also Present:

Lourdes T. Gutierrez-Alfonso	- Chief Operating Officer
Kevin Andrew L. Tan	- Executive Vice President and Chief Strategy Officer
Francisco C. Canuto	- Senior Vice President, Chief Finance Officer, Treasurer, Chief Audit Executive, Compliance Officer and Corporate Information Office
Noli D. Hernandez	- Executive Vice President for Sales and Marketing
Giovanni C. Ng	- Senior Vice President and Finance Director
Maria Victoria M. Acosta	- Executive Vice President and Managing Director for International Marketing
Maria Carla T. Uykim	- Head of Corporate Advisory and Compliance Division
Rafael Antonio S. Perez	- Head of Human Resources and Corporate Admin. Division
Kimberly Hazel A. Sta. Maria	- Assistant Vice President for Corporate Communications and Advertising
Anna Michelle T. Llovido	- Corporate Secretary
Nelileen S. Baxa	- Assistant Corporate Secretary
Andy Dela Cruz	- Head of Investor Relations
Renan Piamonte	- External Auditor, Punongbayan & Araullo
Leonardo Cuaresma	- External Auditor, Punongbayan & Araullo
Romualdo Murcia III	- External Auditor, Punongbayan & Araullo
Nico Unera	- External Auditor, Punongbayan & Araullo
Gesan Tesiorna	- Stock Transfer Agent, BDO Trust and Investments Group

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I. CALL TO ORDER

The Chairman and President, Dr. Andrew L. Tan, welcomed the stockholders to the 2023 Annual Stockholders' Meeting (the "Meeting") and turned over the floor to the Presiding Officer, Mr. Kingson U. Sian. Thereafter, the Presiding Officer called the Meeting to order. The Corporate Secretary, Atty. Anna Michelle T. Llovido, recorded the proceedings of the Meeting.

II. CERTIFICATION OF NOTICE AND QUORUM

The Presiding Officer stated that the Corporation decided to hold the Meeting by remote communication pursuant to the Corporation's Amended By-Laws and the Revised Corporation Code, and for consistency with minimum public standards. This notwithstanding, Management has adopted measures to afford the stockholders the opportunity to participate in the Meeting as effectively as a physical meeting.

The Corporate Secretary certified that all stockholders of record as of **18 May 2023** have been duly notified of the Meeting pursuant to the Corporation's By-Laws and applicable Securities and Exchange Commission ("SEC") Circulars, and that copies of the Notice of the Meeting, the Agenda, and the Definitive Information Statement were made available through: (1) the Corporation's website; and (2) the Philippine Stock Exchange ("PSE") Electronic Disclosure Generation Technology or PSE EDGE. The Notice of the Meeting was also published in the Daily Tribune and the Manila Standard both in print and online, on 24 May 2023 and 25 May 2023.

The Corporate Secretary also certified that there existed a quorum to transact the business in the agenda for the Meeting, there being present in person or represented by proxy, stockholders holding **80.74%** of the entire subscribed and outstanding capital stock of the Corporation entitled to vote.

The Corporate Secretary certified that only stockholders who have successfully registered may participate in the Meeting. Moreover, the Corporate Secretary explained the Procedures for Registration, Voting and Participation in the Meeting contained in the Definitive Information Statement which were implemented as follows:

(i) Stockholders signifying their intention to participate by remote communication have registered by submitting the requirements by email to the Corporate Secretary at corporatesecretary@megaworldcorp.com;

(ii) Stockholders who have registered sent their questions and/or comments prior to the meeting through email at corporatesecretary@megaworldcorp.com until 5:00pm of 14 June 2023;

(iii) The resolutions proposed to be adopted at the Meeting will be shown on the screen;

(iv) Stockholders who have duly registered to participate by remote communication have casted their votes by proxy or in absentia by sending their accomplished ballots by email to the Corporate Secretary until 5:00pm of 08 June 2023; and,

(v) The Office of the Corporate Secretary has tabulated all valid and confirmed votes cast through electronic voting, together with the votes through proxies, with the voting results to be announced during the Meeting and reflected in the minutes of the Meeting.

III. APPROVAL OF THE MINUTES OF THE ANNUAL MEETING OF STOCKHOLDERS HELD ON 17 JUNE 2022

The Presiding Officer then proceeded with the approval of the minutes of the annual stockholders' meeting held on **17 June 2022**, and informed the stockholders that the copy of the minutes of the 2022 Annual Meeting have been made available through the Corporation's website and in the Definitive Information Statement.

The Corporate Secretary then announced that **100%** of the voting shares represented in the Meeting have voted in favor of the approval of the minutes of the annual stockholders' meeting held on **17 June 2022**. Therefore, the Presiding Officer declared that the following resolution has been approved:

"RESOLVED, to approve the minutes of the Annual Stockholders' Meeting held on 17 June 2022."

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The results based on the votes cast are as follows:

	For	Against	Abstain
Number of Shares Voted	30,022,507,823	-	-
% of Total Outstanding Shares	100%		

IV. REPORT OF MANAGEMENT FOR THE YEAR 2022

The Presiding Officer then turned the floor over to the Chairman, Dr. Andrew L. Tan, who delivered the Chairman's Message and report on the Corporation's performance for the year 2022, as follows:

The year 2022 solidified Megaworld's growth trajectory as the country's economy moved toward a full reopening after 2 years of various mobility restrictions. Our persistent pursuit of innovation and excellence has once again resulted in impressive accomplishments that reinforced our industry leadership. Throughout the challenging yet promising year, our Company exceeded targets across all business segments as we were able to effectively capture the new opportunities that arose.

In 2022, Megaworld has achieved a remarkable 17% year-on-year increase in revenues, amounting to PHP60 billion. Furthermore, our net income has grown by 7%, reaching PHP 15 billion from last year's PHP 14 billion. We remain committed to delivering exceptional results and driving sustainable growth for our stakeholders. This is a testament to our commitment to achieving exceptional results and our unparalleled agility in responding to dynamic market conditions.

The Company's growth was further propelled by the excellent performance of its real estate segment, which continued to lead momentum toward recovery. Our real estate sales have surged by an impressive 18%, amounting to PHP 37 billion. Our reservation sales have exceeded our initial expectations, reaching PHP 119 billion. This is an affirmation of the steadfast trust and confidence our customers have in our residential developments.

Our office segment continues to deliver record revenues despite the challenges faced by the industry. Megaworld Premier Offices' proactive approach has allowed us to capture opportunities in the market, enabling us to achieve a higher than industry occupancy rate of 92%. As a result, we have concluded the year on a high note, with an office rental income surpassing a remarkable milestone of P12 billion for the first time.

Meanwhile, our Megaworld Lifestyle Malls have achieved a revenue growth of 51% this year, totaling PHP 3 billion. The impressive surge can be attributed to increased spending, heightened foot traffic, and the Company's commitment to reducing rent concessions for tenants, in line with the resurgent economy. Mall occupancy increased by 300 basis points to 90%, while tenant sales surpassed pre-pandemic levels and saw a remarkable 6% growth compared to 2019. These achievements can be attributed to our innovative initiatives and programs for tenants and mall shoppers, which helped drive foot traffic and rejuvenate sales.

Our hotel business delivered stellar growth that exceeded 2019 revenue levels. Megaworld Hotels & Resorts reported PHP 2.6 billion in revenue in 2022, an increase of 38% over the PHP 1.9 billion realized the previous year. The uptick in tourism and MICE (meetings, incentives, conventions, and exhibitions) has contributed to this success by driving up room occupancy and room rates.

Megaworld introduced two notable sustainable townships during the year: Sherwood Hills in Cavite and Winford Resort Estate in Manila. Both these townships were launched with sustainability at the forefront. As residential projects have always been our first priority in townships, we aim to provide individuals and families with a sense of belonging and security by offering high-quality homes.

Our commitment to excellence extends beyond residential offerings. As township grows, we launch office buildings, creating direct employment opportunities in the thriving BPO sector. Furthermore, our developments generate indirect jobs that support this industry as well, fostering economic growth within the surrounding areas.

As we strategize our operations and project development, we are constantly seeking ways to optimize our resources and minimize our carbon footprint. By doing so, we are not only reducing our environmental impact but also maximizing our efficiency and profitability. At Megaworld, we are proud to stand alongside Alliance Global as we set our sights on two remarkable objectives. We are committed to playing our part in the efforts of Alliance Global to become carbon neutral and to generate 5 million jobs, both directly and indirectly, by 2035.

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We've made it a priority to incorporate at least 40% green and open space preservation into the plans for every future community we create. We believe that by doing so, we can create vibrant and sustainable communities that will thrive for generations to come. As part of our visionary project development plans, we are dedicated to preserving the majestic centuries-old trees within our townships. Our Company is proud to utilize endemic trees as a crucial component of our mission to enhance our townships' greenery and make significant contributions toward Megaworld's carbon offsets.

Our malls lead the way in sustainable design. With solar roof panels and an open layout, we utilize natural light and ventilation, reducing energy consumption and costs. This not only benefits the environment but also brings long-term cost savings. At Megaworld, we consistently implement upgrades for our mall and office equipment to maximize energy efficiency and minimize consumption.

Furthermore, our malls empower entrepreneurs to join our esteemed network, unlocking limitless business potential. By fostering a dynamic retail ecosystem, we support local enterprises, stimulate economic growth, and create new opportunities.

As the largest office landlord in the country, we strive for excellence in constructing office buildings and align ourselves with renowned certification bodies such as LEED. This ensures the construction of sustainable structures that withstand the test of time. Our dedication lies in creating eco-friendly buildings that contribute to the well-being of our planet.

Meanwhile, in revolutionizing land development, we prioritize mobility and connectivity. By incorporating state-of-the-art biking network facilities and strategically locating transport terminals within our townships, we make a positive impact on the environment and offer residents a more sustainable way of life. Together, we shape a brighter future for our communities.

In addition to our other endeavors, we are proud to serve as a catalyst for positive change. Our corporate social responsibility efforts, civic activities, and environmental initiatives empower and transform communities. By working together, we can make a tangible difference and create a brighter future for all.

Finally, Megaworld's board has decided to extend our buyback program until February 2024. This bold step aims to maximize shareholder value and showcase our steadfast confidence in the Company's shares, which we believe are currently undervalued. This initiative is a testament to our commitment to driving growth and delivering value to our esteemed investors

To ensure the sustained growth of Megaworld, we have developed a comprehensive strategy with three key pillars:

Expanding our Portfolio: *Megaworld is steadfast in its commitment to expanding its property portfolio in strategic growth areas throughout the Philippines. We aim to contribute to the nation's overall development by investing in a diverse range of projects, including residential, office, and commercial properties. Our extensive pipeline of projects in various stages of development ensures that we continue to meet the evolving demands of the market.*

Embracing Innovation and Technology: *We recognize the importance of embracing innovation and leveraging technology to drive our growth strategy. By implementing smart building management systems and harnessing renewable energy solutions, we can optimize our operations and minimize our environmental impact. We are committed to staying at the forefront of industry advancements and incorporating cutting-edge technologies into our projects.*

Prioritizing Customer Satisfaction: *At Megaworld, our customers are at the heart of everything we do. We prioritize understanding and meeting their ever-changing needs and preferences. As part of our commitment to sustainable living and wellness, we will develop properties that align with these trends. Our projects will feature ample green spaces, walking and biking trails, and state-of-the-art fitness amenities, creating an environment that promotes a healthy and balanced lifestyle for our residents and tenants.*

We are driven by our unwavering dedication to delivering long-term value for our employees and stakeholders, ensuring their continued success. By fostering economic growth nationwide, we create opportunities that benefit our organization and the communities we serve.

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Our Company is steadfast in pursuing our vision and closely monitoring our progress toward achieving our operational objectives. We are determined to succeed and leave no stone unturned in our relentless pursuit of excellence. Constantly reassessing our Company's goals is imperative to proactively safeguard against potential setbacks. This approach allows us to mitigate any negative impact and maintain our thriving momentum, even in the face of adversity.

This 2023, we will continue to pursue our proven strategies and build upon our past successes to achieve even greater heights. We will work hard to keep expanding our reach by offering new projects, tapping new markets, developing more land, and accelerating new innovations. With these, we hope to close the year strong and aim for a full recovery compared to our pre-pandemic performance.

To our valued customers, tenant partners, investors, directors, employees, and partner communities, you all played a pivotal role in our remarkable journey toward sustainable growth and longevity. Your continued support enabled our Company to grow exponentially from our humble beginnings over 30 years ago. Together, we look to the future to realize our vision of a stronger and bolder Megaworld.

Thank you.

V. OPEN FORUM

The Presiding Officer requested the Head of Investor Relations, Mr. Andy Dela Cruz, to read some of the questions that were sent through corporatesecretary@megaworldcorp.com. The Chief Strategy Officer, Mr. Kevin Andrew L. Tan, answered the questions. Below is a summary of the questions and the answers that were given:

Question: Megaworld saw revenues grow by 17% in 2022. What drove this growth?

Answer: Our growth in 2022 was fueled by the double-digit growth in all our key business segments, such as real estate, office, Lifestyle Malls, and hotels. We saw a recovery in real estate demand, especially during the second half of the year, and we even exceeded our reservation sales target as we hit P119 billion. Our offices also saw an improvement in occupancy by 200 basis points to 92% – defying the industry's rising vacancy rates. Our Lifestyle Mall tenants have also started to record sales higher than 2019 levels during the second half of the year. And finally, our hotels saw significant improvement in tourism and MICE activities, driving revenues above 2019 levels too.

Question: When do you expect to hit pre-pandemic performance?

Answer: We are targeting to hit at least our 2019 performance this 2023. Demand continues to be strong for our key business segments. In fact, our company has already exceeded pre-pandemic performance in the first quarter of 2023. Our strong start to the year will set the foundation for the coming quarters as we work to continue our momentum and close the year hopefully stronger than our 2019 performance.

Question: Megaworld saw P1.7 billion in forex losses in 2022. What was the reason for this and are there plans to decrease the exposure?

Answer: Megaworld's forex losses resulted from the stronger US Dollar compared to the Philippine Peso, and largely from our unhedged dollar denominated bonds totaling around US\$ 600 million. Last April 2023, our US\$ 250 million bond expired. We refinanced US\$ 200 million through bank debt and we paid down around US\$ 50 million in cash, effectively reducing our forex exposure. Moving forward, we will continue with our commitment to decrease our forex exposure as the exchange rate gets better.

Question: What is your outlook on the office market?

Answer: We remain positive on the office market brought about by several factors that may drive demand. Healthcare BPOs continue to grow and look to be a huge opportunity in the future that we want to capture. In fact, we renewed more than 90% of our expiring leases in 2022, which showcases the loyalty and continued need of our tenants for our office spaces. And again, our office occupancy rate remains much higher than industry at 92% as of 2022, compared to the 80%-81% of the industry.

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Question: Megaworld was recently removed from the PSE Index. What is management's view of this event?

Answer: We believe this is only as a result of the loss of interest or favor in the property sector and not as a measure of Megaworld's actual performance. If you look at the Philippine Property Index, it is still lagging compared to the main benchmark index. So, our removal was largely due to the cyclical nature and the impact of the pandemic to the key segments of the industry. In the future, we are confident that Megaworld will be added back again to the index as most of our key business segments have fully recovered already. To achieve this, we will continue to focus on improving our earnings and crystalizing our value to our investors.

VI. APPOINTMENT OF INDEPENDENT AUDITORS

The Presiding Officer informed the stockholders that the Board of Directors, upon the recommendation of the Audit Committee, has approved the engagement of **Punongbayan & Araullo** for the audit of the Corporation's financial statements for the year ending **31 December 2023**. The engagement of Punongbayan & Araullo as the Corporation's external auditors for the year ending December 31, 2023 was then submitted to the stockholders, for their consideration.

The Corporate Secretary certified that 99.96% of the voting shares represented in the Meeting have voted in favor engagement of **Punongbayan & Araullo** as independent auditors for the fiscal year ending **31 December 2023**. Therefore, the Presiding Officer declared that the following resolution has been approved:

“RESOLVED, to approve the appointment of PunongBayan & Araullo as the external auditor of the Corporation for the audit of the Corporation's financial statements for the year ending December 31, 2023.”

The results based on the votes cast are as follows:

	For	Against	Abstain
Number of Shares Voted	30,011,238,823	11,269,000	-
% of Total Outstanding Shares	99.96%	0.04%	

VII. RATIFICATION OF ALL ACTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS, BOARD COMMITTEES, AND MANAGEMENT

The Presiding Officer informed the stockholders that the next item on the agenda is the ratification of all acts and resolutions of the Board of Directors, Board Committees and Management of the Corporation since the date of last year's annual stockholders' meeting on **17 June 2022** until **16 June 2023**. He informed the stockholders that a list of such acts was provided in the Definitive Information Statement, which was made available through the Corporation's website and PSE EDGE.

The Corporate Secretary certified that that **99.88%** of the voting shares represented in the Meeting have voted in favor of the ratification all acts and resolutions of the Board of Directors, Board Committees and Management of the Corporation which were duly adopted in the ordinary course of business from **17 June 2022** until **16 June 2023**. Therefore, the Presiding Officer declared that the following resolution has been approved:

“RESOLVED, to ratify each and every act and resolution taken since the annual stockholders' meeting on 17 June 2022 until 16 June 2023 (the “Period”), of the Board of Directors (the “Board”), the Board Committees exercising powers delegated by the Board, and each and every act, during the Period, of the Management of the Corporation performed in accordance with the resolutions of the Board, the Board Committees as well as the By-laws of the Corporation.”

The results based on the votes cast are as follows:

	For	Against	Abstain
Number of Shares Voted	29,987,501,223	-	35,006,600

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% of Total Outstanding Shares	99.88%		0.12%
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VIII. ELECTION OF DIRECTORS

The Presiding Officer informed the stockholders that, for the current year 2023, the Corporation shall be electing seven (7) Directors, at least three (3) of whom shall be Independent Directors pursuant to the Securities and Regulation Code and the Corporation's Revised Manual of Corporate Governance. The Presiding Officer requested Mr. Rafael Antonio Perez, on behalf of the Corporate Governance Committee, to present the Final List of Nominees for members of the Board of Directors.

Mr. Perez presented the final list of nominees to the Board of Directors, as follows: Dr. Andrew L. Tan, Ms. Katherine L. Tan, Mr. Kingson U. Sian, and Mr. Enrique Santos L. Sy as Regular Directors; and Mr. Jesus B. Varela, Mr. Cresencio P. Aquino, and Mr. Alejo L. Villanueva, Jr. as Independent Directors.

Mr. Perez likewise reported that the Final List of Nominees for election as directors of the Corporation possess all the qualifications and none of the disqualifications to hold office as directors of the Corporation.

The Corporate Secretary then informed the Presiding Officer that no further nominations shall be allowed pursuant to the Corporation's By-Laws, as amended.

The Corporate Secretary certified that each of the nominees have obtained the required number of votes to be elected as members of the Board. Therefore, the Presiding Officer declared that the following resolution electing the members of the Board has been approved:

"RESOLVED, to elect the following as directors of the Corporation to serve as such beginning today until their successors are elected and qualified:

- 1. Andrew L. Tan***
- 2. Katherine L. Tan***
- 3. Kingson U. Sian***
- 4. Enrique Santos L. Sy***
- 5. Jesus B. Varela – Independent Director***
- 6. Cresencio P. Aquino – Independent Director***
- 7. Alejo L. Villanueva, Jr. – Independent Director"***

The results based on the votes cast are as follows:

Director	For	Against	Abstain
Andrew L. Tan	29,319,283,353	703,224,470	-
Katherine L. Tan	29,614,524,096	407,983,697	-
Kingson U. Sian	29,741,785,821	280,722,002	-
Enrique Santos L. Sy	29,688,356,350	334,151,473	-
Jesus B. Varela	29,569,861,104	452,646,719	-
Cresencio P. Aquino	29,982,307,768	40,200,055	-
Alejo L. Villanueva, Jr.	29,977,188,768	34,119,055	11,200,000

IX. ADJOURNMENT

The Presiding Officer inquired if there are other matters in the agenda. The Corporate Secretary replied there were none. There being no other matters to be discussed, the Meeting was adjourned at 9:20 a.m.

CERTIFIED CORRECT:

ANNA MICHELLE T. LLOVIDO
Corporate Secretary

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ATTESTED BY:

KINGSON U. SIAN
Presiding Officer

ANDREW L. TAN
Chairman