

## **DRAFT | FOR APPROVAL BY STOCKHOLDERS**

### **MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING OF**

#### **BELLE CORPORATION**

Held on June 22, 2020 at 2:00 p.m.  
Virtually via Zoom Webinar  
(in Accordance with SEC Regulations on Meetings by Remote Communication)

TOTAL NUMBER OF SHARES OUTSTANDING	9,763,126,297
TOTAL NUMBER OF SHARES PRESENT/REPRESENTED AND ENTITLED TO VOTE	7,722,207,683

Before the start of the meeting, the following members of the Board of Directors present who were participating in the virtual meeting were introduced:

EMILIO S. DE QUIROS, JR.  
WILLY N. OCIER  
ELIZABETH ANNE C. UYCHACO  
MANUEL A. GANA  
RICARDO L. MOLDEZ  
JACINTO C. NG, JR.  
JOSE T. SIO  
VIRGINIA A. YAP  
CESAR E. A. VIRATA  
AMANDO M. TETANGCO, JR.  
GREGORIO U. KILAYKO

The following executive officers of the Corporation were likewise in attendance at the shareholders' meeting:

A. BAYANI K. TAN (Corporate Secretary)  
ARTHUR A. SY (Assistant Corporate Secretary)  
ARMIN ANTONIO B. RAQUEL SANTOS (Executive Vice President – Integrated Resorts)  
JACKSON T. ONGSIP (Executive Vice President – Chief Financial Officer / Compliance Officer / Chief Risk Officer)  
SHIRLEY C. ONG (Business Unit Head – Resort Residences)  
MARY ELEANOR A. MENDOZA (Business Unit Head – Real Estate Group)  
CLAIRE T. KRAMER (Business Unit Head – Estate Services)  
MICHELLE T. HERNANDEZ (Vice President – Governance)  
TRISTAN B. CHOA (Vice President – Investor Relations)

Representatives of Alberto, Pascual and Associates, an independent party engaged to validate the results of the voting by poll for the 2020 Annual Stockholders' meeting, were likewise in attendance.

Ms. Belinda T. Beng Hui, representing the Company's external auditor, SyCip, Gorres, Velayo & Co., was also present to address questions from the shareholders during the meeting.

#### **CALL TO ORDER**

The Chairman of the Board of Directors, Mr. Emilio S. De Quiros, Jr., called the

meeting to order and presided over the same. The Corporate Secretary, Mr. A. Bayani K. Tan, recorded the minutes of the proceedings.

## **CERTIFICATION OF NOTICE AND QUORUM**

At the request of the Chairman, the Corporate Secretary advised the Body that, further to the authority granted by the Securities and Exchange Commission (SEC), in lieu of physical distribution of notices, the notice for this year's shareholders' meeting was published in the printed and online editions of the Philippine Star and Business World on May 25 and 26, 2020. The notice was also posted on the Corporation's website.

The stockholders as of May 21, 2020, the Record Date set for the 2020 shareholders' meeting, are participating, in person or by proxy, at today's virtual meeting.

Both the Philippine Star and Business World have executed their respective Affidavit of Publication attesting to the fact of publication; and the Chairman instructed the Secretary to ensure that said Affidavits of Publication shall form part of the records of the meeting.

Thereafter, the Secretary certified that, based on the register of attendees and proxies as tabulated by the Stock Transfer Agent, out of Nine Billion Seven Hundred Sixty-Three Million One Hundred Twenty-Six Thousand Two Hundred Ninety-Seven (9,763,126,297) shares of the total outstanding capital stock of the Corporation, holders of a total of Seven Billion Seven Hundred Twenty-Two Million Two Hundred Seven Thousand Six Hundred Eighty-Three (7,722,207,683) shares are participating in the virtual meeting either in person or represented by proxy, representing an attendance of 79.10% of the total outstanding capital stock of the Corporation. Accordingly, the Secretary certified that a quorum existed for the transaction of business at hand.

## **RULES OF CONDUCT AND VOTING PROCEDURES**

The Chairman then informed the Body that, while the meeting is being held in a virtual format, the Corporation is giving the shareholders every opportunity to participate therein to the same extent as if they were in an in-person meeting. He then requested the Vice President for Investor Relations, Mr. Tristan B. Choa, to briefly explain the rules of conduct and the voting procedures.

Mr. Choa noted as follows:

1. Stockholders who notified the Corporation of their intention to participate in this meeting by remote communication have sent their questions or comments through the e-mail address provided for the purpose. Question can continue to be sent throughout the duration of the meeting through the Q&A function of Zoom Webinar.
2. Some of the questions or comments received will be read out during the Open Forum, after all matters in the agenda are concluded. However, as the time dedicated for the meeting is not unlimited, the questions and comments which will not be read out and responded to during the meeting will be answered by the appropriate officers of the Corporation concerned.
3. Resolutions will be proposed for adoption by the stockholders for each of the items in the Agenda. Each proposed resolution will be shown on the screen as the same is being taken up.
4. With the assistance of Alberto, Pascual and Associates, the proxies received and the votes cast as of June 18, 2020 have been tabulated. These votes are from stockholders owning 7,475,975,166 voting shares, representing 77% of the total outstanding voting shares. The results of this preliminary tabulation will be

referred to when the voting results are reported out throughout the meeting. The results of the final tabulation of votes with full details of the affirmative and negative votes and abstentions will be reflected in the Minutes of the Meeting.

**APPROVAL OF THE MINUTES OF THE LAST STOCKHOLDERS' MEETING**

As requested by the Chairman, the Secretary advised the Body that the minutes of the last stockholders' meeting held on April 22, 2019 was immediately made available for the stockholders to view soon after the last meeting when it was posted on the Corporation's website. The same was also made part of the documents that were recently made available to the stockholders in connection with the 2020 meeting.

The Minutes of the said meeting was thereafter approved, as circulated:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Approval of Minutes of the Previous Meeting of Stockholders	7,703,597,675	0	0

The following resolution was thereafter passed:

“RESOLVED, that the Minutes of the Annual Meeting of the Stockholders of Belle Corporation held on April 22, 2019 is hereby approved.”

**2019 REPORT ON OPERATIONS AND RESULTS**

At the request of the Chairman, the President, Mr. Manuel A. Gana, presented the following Report on the Corporation's Operations and Results for 2019:

To our Shareholders, Stakeholders and Guests, good afternoon. Thank you for joining us today in the Annual Shareholders' Meeting of Belle Corporation.

Over the years, Belle Corporation has remained resilient and focused on its mission of enhancing value for our investors and our stakeholders. We achieved our aim in 2019 despite a challenging business environment.

Total revenues reached Php7.5 billion in 2019, down 12% from Php8.5 billion in 2018. This was largely due to the difficult dynamics experienced by our pari-mutuel gaming equipment leasing subsidiary, Pacific Online Systems Corporation. Despite this, recurring net income of Php3.4 billion in 2019 was within range of the Php3.6 billion achieved in 2018.

Discussing each of our lines of business briefly:

- The lease of land and buildings in City of Dreams Manila to Melco realized revenues of Php2.7 billion, representing a 12% improvement.
- The share in gaming earnings of City of Dreams Manila of our subsidiary Premium Leisure Corp. was resilient at Php3 billion for 2019, within range of Php3.2 billion for 2018.

- Belle's real estate development and related activities in the Tagaytay Highlands and Midlands areas contributed revenues of Php859 million.
- Pacific Online Systems Corporation saw its revenues contract by 49% to Php990 million. This was due to competition from the small-town lottery, and the temporary suspension of lottery and keno operations by the Philippine Charity Sweepstakes Office or PCSO during the third quarter of 2019. Following the lifting of the suspension, Pacific Online has been working closely with the PCSO and its network of agents to boost the attractiveness of the pari-mutuel games it offers, and has been continuously working to implement cost efficiency measures across its operations.

As you are aware, the year 2020 has not started out well, with the global economy being severely impacted by the Covid-19 pandemic. With the Taal Volcano eruption in January hampering our real estate sales, and the Covid-19 pandemic affecting all of our operations, our first quarter 2020 recurring net income declined by 31% to Php577.0 million, from Php835.0 million in the first quarter of 2019.

However, Belle continues to maintain a strong balance sheet. As of March 31, 2020, Belle's current assets covered more than twice its current liabilities and 176% of its total debt. The Company's debt-to-equity ratio was a very conservative 20%, which is well below its peers in the real estate and integrated resort industries.

This fiscal prudence will give us the strength us to weather the current difficult period while being flexible enough to consider major investment opportunities.

Despite COVID-19 related challenges, and in keeping with its efforts to consistently declare regular annual dividends, Belle fulfilled the payment of its regular cash dividend to its common shareholders in 2020 in the amount of twelve centavos per share, or about Php1.2 billion. This was at par with its previous regular cash dividends paid in 2018 and in 2019.

Mindful of the need to operate our businesses with all our stakeholders in mind, our leadership has chosen to incorporate broader principles of sustainability into our everyday business decisions and endeavors. We presented the pillars of our approach in our 2019 Sustainability Report and would like to share them with you today.

- Our first guiding pillar emphasizes that we pursue investments and businesses that offer sustainable growth and value creation opportunities for our shareholders and stakeholders.

Over the past 5 years, we have experienced tremendous growth at City of Dreams Manila and our performance has allowed us to consistently be one of the top taxpayers in the City of Paranaque.

- Second, we deliver responsible leisure experiences with priority for social and environmental considerations at the center of our products and services.

- Third, we facilitate local socio-economic development by providing job and skills development opportunities and by engaging local suppliers in our daily operations.

- For our 4<sup>th</sup> pillar, we aim to be responsible stewards of our natural environment.

In 2019, we celebrated the 10<sup>th</sup> anniversary of “One Tree at a Time”, our annual tree planting activity that aims to plant one million trees by the year 2044.

- Fifth, we aim to build self-sufficient host communities.

We help close the gap in basic social services by helping provide better access to public education, health services and farming livelihood programs.

With the prudent guidance of our Board, the diligent execution by our Management team and staff, and the support of our Shareholders, we believe that Belle Corporation will have the financial muscle and sound corporate governance necessary to weather the challenges we are facing in 2020.

Thank you for your continued support.

Thereafter, the Chairman reminded the shareholders in attendance that questions on the report on operations, as well as on the Audited Financial Statements for 2019, will be addressed during the Open Forum towards the end of the proceeding. The Secretary then proceeded to announce the results of the voting on the approval of the 2019 Reports on Operations and Results, as follows:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
2019 Reports on Operations and Results	7,700,648,675	0	2,949,000

The following resolution was likewise approved:

“RESOLVED, that the President’s Report on Belle Corporation’s Operations and Results for 2019, together with the Audited Financial Statements for the year ended December 31, 2019, be approved.”

**RATIFICATION OF CORPORATE ACTS**

The next item in the agenda was the ratification of the corporate acts.

The Secretary explained that the Board of Directors and Management seek the ratification of all the acts of the Board, the Executive Committee, and other board committees exercising powers delegated by the Board, which were adopted from April 22, 2019 until the date of the 2020 shareholders’ meeting. These acts and resolutions are mostly reflected in the Minutes of the Meetings, some of which were likewise subjects of public disclosure made by the Corporation during the past year.

Mr. Choa then proceeded to read out some of the corporate acts sought to be ratified by the stockholders.

Thereafter, the Secretary proceeded to announce the results of the voting on the ratification of the corporate acts from April 22, 2019 up to the present, as follows:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Ratification of Corporate Acts	7,700,648,675	0	2,949,000

The following resolution was likewise approved:

“RESOLVED, that all acts of the Board of Directors and Officers of **BELLE CORPORATION** from the date of the last meeting of the shareholders on April 22, 2019 up to the date of this meeting, including, but not limited to the following:

- a. Election of Ms. Aurora Cruz-Ignacio to the Board of Directors
- b. Approval of the Audited Consolidated Financial Statements as of year ended December 31, 2019 and SEC Form 17-A
- c. Cash dividend declaration (₱0.12 per share as of record date)
- d. Approval of the Board and Board Committee Charters
- e. Designation of representatives to the shareholders’ meetings of investee and other related companies (PLC, SM Prime, SMIC, Pacific Online, APC Group, Tagaytay Clubs, etc.)
- f. Approval of 2018 Audited Financial Statements
- g. Approval of First Quarter 2019 Financial Report (SEC Form 17-Q)
- h. Election of Officers
- i. Membership in the relevant board committees
- j. Election of Atty. Ricardo L. Moldez to the Board vice Ms. Aurora Cruz-Ignacio
- k. Amendment of Facility Agreement with BDO Unibank, Inc. (extension of availability period)
- l. Approval of New Short-Term Facility from China Banking Corporation
- m. Approval of Second Quarter 2019 Financial Report (SEC Form 17-Q)
- n. Transaction with Social Security System (Extension of Lease, Conveyance, Undertaking)
- o. Approval of Third Quarter 2019 Financial Report (SEC Form 17-Q)
- p. Approval of the Material Related Party Transactions Policy
- q. Approval of the 2020 Operating Budget
- r. Approval on the Schedule of Regular Board and Committee Meetings for 2020
- s. Approval of the Sustainability Roadmap
- t. Setting of 2020 Annual Stockholders’ Meeting
- u. Renewal of Lease of Corporate Office at Two E-com Center with SM Prime Holdings
- v. Renewal of Directors’ and Officers’ Liability Insurance
- w. Renewal of Service Agreement with Highlands Prime, Inc.
- x. Approval of the Audited 2019 Financial Statements and regulatory filings thereon (SEC Forms 20-IS and 17A)
- y. Approval of First Quarter 2020 Financial Report (SEC Form 17Q)

are hereby confirmed, ratified and approved.”

ELECTION OF DIRECTORS

The Chairman announced that the next item in the agenda is the election of the members of the Board of Directors for the ensuing year.

The Chairman of the Corporate Governance Committee, Mr. Amando M. Tetangco, Jr., was requested to announce the names of those nominated for election as members of the Board. Mr. Tetangco likewise informed the Body that the profiles of the nominees for election as members of the Board were included in the Company’s Information Statement as well as in the Annual Report. The information included their age, nationality, qualifications, dates of first appointment and other directorships in publicly-listed companies.

Thereafter, the Secretary announced the results of the voting on the election of directors and certified that each of the nominees has received enough votes for election to the Board, and, accordingly, that the following resolution for the election of nominees to the Board has been approved:

“RESOLVED, that pursuant to the recommendation of the Corporate Governance Committee, the following individuals are hereby elected as directors of **BELLE CORPORATION** for a period of one (1) year and until their successors shall have been duly qualified and elected:

EMILIO S. DE QUIROS  
WILLY N. OCIER  
ELIZABETH ANNE C. UYCHACO  
MANUEL A. GANA  
RICARDO L. MOLDEZ  
JACINTO C. NG, JR.  
JOSE T. SIO  
VIRGINIA A. YAP

Independent Directors

GREGORIO U. KILAYKO  
AMANDO M. TETANGCO, JR.  
CESAR E. A. VIRATA

The final tally of votes, as tabulated by the Committee of Inspectors of Proxies and Ballots and validated by Alberto, Pascual and Associates, is as follows:

ELECTION OF DIRECTORS	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
EMILIO S. DE QUIROS	7,633,409,575	2,597,000	67,591,100
WILLY N. OCIER	7,634,531,575	1,475,000	67,591,100
ELIZABETH ANNE C. UYCHACO	7,636,006,575	0	67,591,100
MANUEL A. GANA	7,700,592,675	2,597,000	408,000
RICARDO L. MOLDEZ	7,636,006,575	0	67,591,100
JACINTO C. NG, JR.	7,636,006,575	0	67,591,100
VIRGINIA A. YAP	7,636,006,575	0	67,591,100
JOSE T. SIO	7,633,409,575	2,597,000	67,591,100
GREGORIO U. KILAYKO	7,701,000,675	2,597,000	0
AMANDO M. TETANGCO, JR.	7,701,000,675	2,597,000	0
CESAR E. A. VIRATA	7,701,000,675	2,597,000	0

**APPOINTMENT OF EXTERNAL AUDITOR**

The Body next considered the appointment of the Corporation’s external auditors for Year 2020.

The Chairman of the Audit Committee, Mr. Gregorio U. Kilayko, announced that the Corporation’s Audit Committee has recommended, and the Board of Directors has endorsed for the consideration of the shareholders, the re-appointment of SyCip Gorres Velayo & Co. as the Corporation’s external auditor for Year 2020.

The Secretary then announced the results of the voting on the proposal to appoint SyCip Gorres Velayo & Co. as the Corporation’s external auditor for Year 2020 as follows:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Appointment of SGV & Co. as External Auditor for 2020	7,703,597,675	0	0

The following resolution was likewise approved:

“RESOLVED, that SyCip Gorres Velayo & Co. be re-appointed as the external auditor of Belle Corporation for Year 2020.”

**OTHER MATTERS**

Before the meeting was adjourned, the Chairman requested that some of the questions raised by the stockholders be read so the same can be responded to by the concerned officers.

The first question received from the Q&A portal of Zoom Webinar was whether Belle will still continue to pursue investments in the luxury tourism space in view of the fact that the business landscape has been drastically changed by the Covid Pandemic. To this, the President answered that Belle still believes in the long-term fundamentals of the Philippines and the continued viability and potential of the business space that Belle occupies, specifically, the premium real estate, leisure and tourism industry. Further, the infrastructure investments that the Philippine government has been undertaking will even enhance the potential of these in the future. Coupled with the strength of Belle’s balance sheet, the Company is confident that it has the flexibility to consider these investments as they come along.

Responding to the next question sent via email regarding the outlook of the Corporation in light of the Covid Pandemic, the President noted the Belle’s outlook for the gaming industry continues to be positive and that City of Dreams Manila and Entertainment City in the Philippines is well-positioned to take advantage of the international gaming industry. He added that while there is no certainty as to how long the Pandemic will last, the same will eventually subside; and once normalcy resumes, Belle will be in a good position to take advantage of the resumption of the gaming industry

The Co-Vice Chairman, Mr. Willy N. Ocier, was requested to respond to the question sent by one of the stockholders participating in the virtual meeting, Ms, Evelyn Reyes, as to the strategies “to turn around Pacific Online”. Mr. Ocier answered that Pacific Online, has partnered with the Philippine Charity Sweepstakes Office (PCSO) for the past twenty years; and it is looking at the events of 2019 and 2020 as opportunities for the company to further encourage the PCSO to embrace online betting technologies, which are already available



around the world. With Pacific Online’s access to all these technologies, it is now actively helping PCSO to develop the mobile betting platforms for the state lotteries.

Thereafter, the Chairman assured the shareholders that while there is not enough time to respond to all the questions which have been sent in, those which have not been read out and answered will still be responded to via email by the Investor Relations Department.

#### **ADJOURNMENT**

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

**EMILIO S. DE QUIROS, JR.**  
Chairman of the Board of Directors

**A. BAYANI K. TAN**  
Corporate Secretary

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