

ALTUS PROPERTY VENTURES, INC.

MINUTES OF THE ANNUAL MEETING OF STOCKHOLDERS  
AUGUST 28, 2020, 10:00 a.m.

held virtually via video conferencing through Microsoft Teams Live  
in accordance with the rules of the Securities and Exchange Commission

Directors Present:

Frederick D. Go - Director, Chairman and President

Also Present:

Atty. Rosalinda F. Rivera - Corporate Secretary

Erica S. Lim – Investor Relations Head

Stockholders Present:	No. of Shares	% to Outstanding Shares
Total Present and Represented by Proxies	76,734,044	76.73%

**I. PROOF OF NOTICE OF THE MEETING AND EXISTENCE OF A QUORUM**

The Chairman of the Board of Directors of Altus Property Ventures, Inc. (“Corporation” or “APVI”), Mr. Frederick D. Go, requested the Corporate Secretary, Atty. Rosalinda F. Rivera, to certify on the sending of notices to the stockholder and to the existence of a quorum.

The Corporate Secretary certified that notice of the meeting was sent to the stockholders of record as of July 29, 2020 through the following methods:

- a. By delivery to the stockholders of record at their addresses registered in the books of the Corporation;
- b. By electronic mail to the email addresses of the stockholders of record;
- c. By posting on the website of the Corporation; and
- d. By disclosure to the Philippine Stock Exchange

The Corporate Secretary further certified that stockholders entitled to vote representing 76.73% of the total outstanding shares of the Corporation were present in the meeting, via remote communication or by proxy and that a quorum was present to act upon the items in the agenda. The meeting was called to order by Mr. Frederick D. Go, who presided thereat as Chairman of the meeting and Atty. Rivera, Corporate Secretary, recorded the minutes of the proceedings as Secretary of the meeting.

The Chairman requested the Corporate Secretary to explain the rules and procedures for the meeting. According to the Corporate Secretary, the rules and procedures were set forth in the Definitive Information Statement sent to the stockholders and in the explanation of agenda items integrated into the notice sent for the meeting. Stockholders were allowed to vote either by sending their proxies appointing the Chairman of the meeting to the Corporate Secretary or by registering and voting *in absentia* at the website provided for the purpose. Registration for voting *in absentia* was open from August 3 to 13, 2020, and voting was open from August 13, 2020 to August 20, 2020. For votes by proxy, stockholders were requested to submit proxies by August 20, 2020.

No stockholders availed of the option to vote *in absentia*. At the end of proxy validation process, votes were tabulated by the Office of the Corporate Secretary on August 25, 2020. All tabulation results for the meeting were subsequently validated by Punongbayan & Arullo.



Under the rules and procedures for the meeting, stockholders were requested to send their questions or comments by email. Questions which were received by August 20, 2020 were collated and selected questions were answered during the meeting by Ms. Erica S. Lim. Any questions or comments which were not taken up during the meeting were answered and addressed through email.

## **II. READING AND APPROVAL OF THE MINUTES OF THE ANNUAL MEETING OF STOCKHOLDERS HELD ON JUNE 24, 2019**

The Chairman proceeded to the next item in the agenda which is the approval of the Minutes of the Annual Meeting of the Stockholders held on June 24, 2019 (“2019 Minutes of the ASM”). According to the Corporate Secretary, copies of the 2019 Minutes of the ASM were made available to the stockholders by providing the link to the said Minutes in the Definitive Information Statement and by showing the QR code on the screen prior to the meeting.

The Corporate Secretary reported that the 2019 Minutes of the ASM were approved by stockholders holding 76,670,548 common shares which represent 76.67% of the total outstanding shares of the Corporation. No stockholder voted against this agenda item.

Voting results on this agenda item are as follows:

Agenda Item	Votes In Favor		Votes Against		Votes Abstaining	
	Number of shares	% to Outstanding	Number of shares	% to Outstanding	Number of shares	% to Outstanding
Approval of the 2019 Minutes of ASM	76,670,548	76.67%	0	0%	0	0%

The resolution of the stockholders covering this agenda item can be found below:

“RESOLVED, that the Minutes of the Annual Meeting of the Stockholders of Altus Property Ventures, Inc. held on June 24, 2019 be hereby approved.”

## **III. PRESENTATION OF ANNUAL REPORT AND APPROVAL OF THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2019**

The Investor Relations Head, Ms. Erica S. Lim, presented a report on the financial performance of the Corporation as reflected in the audited financial statements for the fiscal year ended December 31, 2019, financial highlights for the first half of 2020 and update on the business operations.

Ms. Lim reported that APVI’s balance sheet reflected P686.9 million in total assets compared to P713.9 million in the previous year. The total shareholders’ equity posted was at P585.2 million for calendar year 2019 compared to P621.7 million in the previous year. Earnings per share posted was at P0.64 per share compared to P0.58 per share in the previous year, with an increase of 10%. APVI’s capital expenditure was at P26.9 million as of December 2019, largely due to the solar panel facility installed that year.

For financial updates for the first half of the year 2020, APVI continued to have a robust balance sheet with total assets at P691.1 million and stockholders’ equity at P599 million as of June 2020. Earnings per share posted was at P0.14 per share for the first half of 2020. Its recurring revenue stream and steady cash flows provided a solid financial base for APVI. It has a strong financial liquidity with cash and cash equivalents amounting to P197.4 million. In part due to its



strong cash flow, APVI does not have significant levels of outstanding indebtedness. Internally generated funds is also sufficient to cover its working capital requirements and capital expenditures. For the first half of the year, APVI's capital expenditure spending was at P6.3 million.

APVI's mall business performed well for the year ended December 2019, with total revenues up by 13% from the previous year to P145.0 million. EBITDA likewise increased by 3% to P104.4 million while EBIT grew by 14% year-on-year to P84.4 million. The resulting net income for calendar year 2019 increased by 12% from the previous year, ending at P64.5 million. However, the impact of was felt at the start of the implementation of the community quarantine in the second half of March through the end of the second quarter. The Corporation only opened areas of the mall that were occupied by tenants offering essential services such as: supermarkets, banks, and pharmacies. As a result, revenues declined by 38% from the previous year to P45.8 million and EBITDA slid by 40% to P31.4 million. Additional depreciation arising from the solar facility installation in 2019 caused EBIT to decrease at a faster rate by 56% to P18.9 million. APVI still had a positive bottom line at P13.9 million for the first half of 2020 despite a challenging business environment.

For the update on business operations, APVI operates Robinsons Place Ilocos, which is the first, largest, and currently, the sole full service mall in Ilocos Norte, located along the National Highway in the Municipality of San Nicolas. It stands as a major component of a 20-hectare mixed use complex developed by a locally based firm, Venvi Development Corporation called 'Valdez Center'. With its strategic location and good track record, Robinsons Place Ilocos continues to be a strong market player in the region.

APVI's occupancy rate was at 100%, as of the first half of the year 2020. Total gross leasable space of the main wing is at 16,333.03 square meters. Total gross floor area inclusive of parking is at 20,120 square meters. Out of APVI's 81 tenants, 8 or 10% are affiliates while 73 or 90% are non-affiliates.

The effective rent per square meter as of the first half of calendar year 2020 based on operational area was at P561.06 per square meter compared to P852.16 per square meter as of calendar year 2019, a decline of 34%.

Ms. Lim also provided an update on the solar facility installed last July 6, 2019. Four thousand solar panels were installed on the rooftop of the mall generating 1.36 million kwh per year. The Corporation's efforts in renewable energy has reduced carbon dioxide emissions by 963 metric tons a year or an equivalent of planting 15,927 trees. The solar installation has rationalized the Corporation's operating expenses and has also reduced the Corporation's carbon footprint in support of a more sustainable future for its business and its stakeholders.

APVI continues to take necessary measures to strictly enforce protocols that will protect the health and safety of its mall tenants and customers such as: (i) subscribing to regular sanitation procedures for the entire property (ii) ensuring proper training and information cascade to its employees (iii) providing free temperature testing using non-contact thermal scanners, and (iv) installing safety reminders across the mall. Options for safe shopping such as curbside deliveries and home shopping deliveries were also adopted.

After the report of Ms. Erica S. Lim, the Chairman called on the Corporate Secretary to present the results of voting for the approval of the audited financial statements for the fiscal year ended December 31, 2019 ("2019 Audited Financial Statements").

The Corporate Secretary reported that stockholders representing 76.60% of the total outstanding shares of the Corporation have approved the 2019 Audited Financial Statements as presented. The report of the Investor Relations Head was also duly noted. Voting results on this agenda item are as follows:

Agenda Item	Votes In Favor		Votes Against		Votes Abstaining	
	Number of shares	% to Outstanding	Number of shares	% to Outstanding	Number of shares	% to Outstanding
Approval of the 2019 Audited Financial Statements	76,602,320	76.60%	0	0%	68,228	0.07%

The resolution of the stockholders covering this agenda item can be found below:

“RESOLVED, that the audited financial statements of Altus Property Ventures, Inc. for the fiscal year ended December 31, 2019 be hereby approved.”

#### **IV. ELECTION OF BOARD OF DIRECTORS**

The Chairman informed the stockholders present that the next item in the agenda is the election of the members of the Board of Directors. The Corporate Secretary was requested to read the names of the incumbent members of the Board of Directors who are as follows:

1. Frederick D. Go
2. Lance Y. Gokongwei
3. Faraday D. Go
4. Corazon L. Ang Ley
5. Maynard S. Ngu
6. Martin Q. Dy Buncio
7. Jean Henri D. Lhuillier

The Chairman then requested for the list of the nominees for election to the Board of Directors and the voting results. In response, the Corporate Secretary stated that, in accordance with the nomination process contained in the By-Laws of the Corporation, the following were nominated for election as members of the Board of Directors:

1. Frederick D. Go
2. Lance Y. Gokongwei
3. Faraday D. Go
4. Corazon L. Ang Ley
5. Maynard S. Ngu – Independent Director
6. Martin Q. Dy Buncio - Independent Director
7. Jean Henri D. Lhuillier - Independent Director

As a result of the tabulation of the votes in favor of those nominated, the following were declared as the duly elected members of the Board of Directors of the Corporation for the ensuing year, until their successors shall have been elected and qualified:

1. Frederick D. Go
2. Lance Y. Gokongwei
3. Faraday D. Go
4. Corazon L. Ang Ley
5. Maynard S. Ngu – Independent Director
6. Martin Q. Dy Buncio - Independent Director
7. Jean Henri D. Lhuillier - Independent Director



The nominees for election as members of the Board of Directors of the Corporation received the following number of votes:

Nominee	Votes In Favor		Votes Against		Votes Abstaining	
	Number of shares	% to Outstanding	Number of shares	% to Outstanding	Number of shares	% to Outstanding
1. Frederick D. Go	70,259,483	70.26	317,714	0.32	6,093,351	6.09
2. Lance Y. Gokongwei	70,205,824	70.21	6,464,724	6.46	0	0
3. Faraday D. Go	70,325,113	70.33	6,345,435	6.35	0	0
4. Corazon L. Ang Ley	70,325,113	70.33	6,345,435	6.35	0	0
5. Martin Q. Dy Buncio	76,657,836	76.66	12,712	0.01	0	0
6. Maynard S. Ngu	70,577,197	70.58	6,093,351	6.09	0	0
7. Jean Henri D. Lhuillier	76,670,548	76.67	0	0	0	0

The resolution of the stockholders covering this agenda item can be found below:

“RESOLVED, that the following are hereby elected as the members of Board of Directors of Altus Property Ventures, Inc. for the year 2020 to 2021:

1. Frederick D. Go
2. Lance Y. Gokongwei
3. Faraday D. Go
4. Corazon L. Ang Ley
5. Maynard S. Ngu – Independent Director
6. Martin Q. Dy Buncio - Independent Director
7. Jean Henri D. Lhuillier - Independent Director

#### V. APPOINTMENT OF EXTERNAL AUDITOR

The Chairman moved to the next item in the agenda which is the appointment of the External Auditor of the Corporation. He called on the Corporate Secretary to present the results of the voting for this agenda item. The Corporate Secretary reported that the accounting firm of Punongbayan & Araullo, has been nominated as the External Auditor of the Corporation for fiscal year 2020.

After tabulation of the votes, the appointment of the auditing firm of Punongbayan & Araullo as the External Auditor of the Corporation for fiscal year 2020 has been approved by stockholders holding 76,670,548 common shares which represent 76.67% of the total outstanding shares.

Voting results on this agenda item are as follows:

Agenda Item	Votes In Favor		Votes Against		Votes Abstaining	
	Number of shares	% to Outstanding	Number of shares	% to Outstanding	Number of shares	% to Outstanding
Appointment of Punongbayan & Araullo as External Auditor	76,670,548	76.67%	0	0%	0	0%

The resolution of the stockholders covering this agenda item can be found below:

“RESOLVED, that the appointment of the accounting firm of Punongbayan & Araullo as the External Auditor of Altus Property Ventures, Inc. for the fiscal year 2020 be hereby approved.”

**VI. RATIFICATION OF ALL ACTS OF THE BOARD OF DIRECTORS AND ITS COMMITTEE, OFFICERS AND MANAGEMENT SINCE THE LAST ANNUAL MEETING**

The Chairman then proceeded to the next item in the agenda which is the ratification of all the acts of the Board of Directors and its committees, officers and management of the Corporation for the period beginning from the last annual meeting of the stockholders up to the current annual meeting of the stockholders, as duly recorded in the corporate books and records of the Corporation.

The Corporate Secretary explained that the list of acts for ratification were shown on the screen and were made available to the stockholders by showing the link and QR code to the said list prior to the meeting.

It was reported by the Corporate Secretary that, after tabulation of the votes, stockholders holding 76,602,320 common shares which represent 76.60% of the total outstanding capital shares of the Corporation have confirmed and ratified the acts of the Board of Directors and its committees, officers and management of the Corporation for the period beginning from the last annual meeting of the stockholders up to the current annual meeting of the stockholders, as duly recorded in the corporate books and records of the Corporation.

Voting results on this agenda item are as follows:

Agenda Item	Votes In Favor		Votes Against		Votes Abstaining	
	Number of shares	% to Outstanding	Number of shares	% to Outstanding	Number of shares	% to Outstanding
Ratification of the acts of the Board of Directors, and its committees, officers and management	76,602,320	76.60%	0	0%	68,228	0.07%

The resolution of the stockholders covering this agenda item can be found below:

“RESOLVED, that all the acts of the Board of Directors and its committees, officers and management of Altus Property Ventures, Inc. (“Corporation”) for the period beginning from the last annual meeting of the stockholders up to the current annual meeting of the stockholders, as duly recorded in the corporate books and records of the Corporation, be hereby confirmed and ratified.

**VII. CONSIDERATION OF SUCH OTHER MATTERS AS MAY PROPERLY COME DURING THE MEETING**

The Chairman informed those present that the Investor Relations Head of the Corporation, Ms. Erica S. Lim shall respond to questions which were submitted by stockholders through email.

Ms. Erica S. Lim expressed her gratitude to those who have sent their questions and she responded to the following questions which were repeatedly asked by stockholders:

- a. How has the COVID-19 pandemic affected the APVI’s operations?

Ms. Erica S. Lim said that during the enhanced community quarantine period, the mall operations only allowed essential tenants to be open in compliance with the rules and regulations of the government. These were the supermarkets, banks and pharmacies. When Ilocos Norte eased into a general community quarantine classification, nearly all of the mall tenants reopened.



- b. What actions have APVI undertaken to mitigate the potential impact of the pandemic on APVI's operations?

Ms. Erica S. Lim said that APVI has implemented strict measures to prevent the spread of the virus in its properties and workplace, these include the infrared non-contact thermal scanners, hand sanitizers, footbath at all points of entries, floor markers first throughout the mall and for social distancing. Frontliners were required to frequently wash their hands, wear protective gear and implement effective cleaning procedures. Sanitation teams carry out deep disinfection procedures in high patch areas such as the elevators and escalators. In the workplace, policies have been established to use digital and online platforms for corporate communications and virtual meetings to limit physical contact. The Corporation has also instituted a skeletal work force, flexible reasonable resourcing, decentralized and remote working arrangements. Lastly, APVI has taken measures to ensure tenant retention besides rental concession. APVI has provided enhanced sales and marketing support including the delivery, personal shopper and customer convenient pick up stations.

- c. How are APVI's financial position and liquidity amidst this challenging business environment?

Ms. Erica S. Lim replied that despite the pandemic's impact on its operations, APVI has maintained strength in its balance sheet due to a healthy cash position amounting to P197.4 million. It also has zero bank debt and its internally generated funds are sufficient to cover its working capital requirement and capital expenditures.

- d. What are APVI's future growth plans and strategies?

Ms. Erica S. Lim said that the Corporation's potential for growth will stem from serving as a vehicle for future real estate ventures and opportunities. With its healthy financial position, it could acquire real estate on an opportunistic basis should circumstances warrant such acquisition. Management is carefully studying various real estate options and opportunities for APVI's long-term growth.

### VIII. ADJOURNMENT

In response to the question of the Chairman on whether there were any other matters to be taken up, the Corporate Secretary replied that there were none. The Chairman advised those present that this ends the 2020 Annual Stockholders' Meeting of the Corporation and that a link where a replay of the meeting may be viewed will be made available at the website of APVI.

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

  
**ROSALINDA F. RIVERA**  
Corporate Secretary

ATTEST:

  
**FREDERICK D. GO**  
Chairman