

**MINUTES OF THE ANNUAL MEETING  
OF THE STOCKHOLDERS OF  
GRAND PLAZA HOTEL CORPORATION  
15 May 2019**

The annual meeting of the stockholders of Grand Plaza Hotel Corporation (**Corporation**) was held at The Heritage Hotel Ballroom of The Heritage Hotel Manila, EDSA Extension, Pasay City, Metro Manila, on 15 May 2019 at 11:30 a.m..

Mr. Bryan Cockrell, the Vice Chairman of the Board of Directors, presided over the meeting, while the Corporate Secretary, Mr. Alain Charles J. Veloso, recorded the minutes thereof.

Mr. Veloso informed the Vice Chairman that, based on the attendance record submitted by Stock Transfer Service, Inc. (**STSI**), the stock and transfer agent of the Corporation, stockholders owning or representing 86.36% of the outstanding capital stock of the Corporation were present, in person or by proxy. Hence, Mr. Veloso certified the existence of a quorum for the meeting. Attached as Annex "A" and forming an integral part of these Minutes is the certification of STSI of the attendance report for the meeting.

The Vice Chairman confirmed and recognized, for purposes of the meeting, the proxies presented, and directed that they be attached to the minutes.

The following directors attended the meeting:

Mr. Bryan Cockrell, the Vice-Chairman of the Board of Directors and a member of the Audit Committee  
Ms. Mia Gentugaya, an Independent Director and Chairperson of the Audit Committee  
Mr. Antonio Rufino, a Director and a member of the Audit Committee  
Mr. Rene Soriano, and Independent Director and a member of the Corporate Governance Committee  
Mr. Wong Kok Ho, a Director of the Corporation  
Mr. Eddie Yeo, a Director of the Corporation and the General Manager of The Heritage Hotel

The following persons also attended the meeting:

Mr. Yam Kit Sung, General Manager, Chief Financial Officer and Compliance Officer of the Corporation  
Mr. Alain Charles J. Veloso, Corporate Secretary of the Corporation  
Ms. Ariane Mae V. Vallada, Assistant Corporate Secretary of the Corporation  
Mr. Enrico Baluyut of R.G. Manabat & Co. (a Member Firm of KPMG International) (**KPMG**), the Corporation's Independent Auditor

**I. Presentation and Approval of the 2018 Annual Report**

The Vice Chairman indicated to the stockholders that the Annual Report and Audited Financial Statements for the period ended 31 December 2018 may be found in the Information Statement, which was circulated to the stockholders pursuant to the requirements of the Securities Regulation Code.

Upon motion made, seconded and unanimously approved by the stockholders present it was:

RESOLVED, that the annual report and the audited financial statements of the Corporation for the year ended 31 December 2018 be hereby approved.

**II. Approval and ratification of the minutes of the stockholders' meeting held on 15 May 2018**

The Vice Chairman inquired with the Corporate Secretary whether the minutes of the Annual Stockholders' Meeting held on 15 May 2018 were made available for review of the stockholders. The Corporate Secretary advised the Vice Chairman that the Minutes of the Annual Meeting of the Stockholders held on 15 May 2018 were made available to the stockholders for their review and inspection at the office of the Corporate Secretary.

Upon motion made, seconded and unanimously approved by the stockholders present it was:

RESOLVED, that the Minutes of the Annual Stockholders' Meeting of the Corporation held on 15 May 2018 be hereby approved.

**III. Ratification of All Acts and Proceedings of the Board of Directors, Acting within the Scope of its Delegated Authority, for the Year 2018 to 2019**

The Vice Chairman proceeded to the next item on the agenda, which is the confirmation and ratification of the acts and the resolutions of the Board of Directors (**Board**) during the year 2018 to 2019. The Vice Chairman stated that the acts and proceedings of the Board during the year 2018 to 2019 are listed on pages 27 to 29 of the Information Statement, which was circulated to the stockholders pursuant to the requirements of the Securities Regulation Code. The Vice Chairman inquired with the Corporate Secretary whether the minutes of the Board meetings for the year 2018 to 2019 were made available for review and inspection of the stockholders. The Corporate Secretary advised the Vice Chairman that the minutes of the Board meetings were made available to the stockholders for their review and inspection at the office of the Corporate Secretary.

Upon motion made, seconded and unanimously approved by the stockholders present it was:

RESOLVED, that the stockholders of the Corporate hereby approve and ratify all acts, decisions, contracts and proceedings done, taken, and effected by the Board of Directors of the Corporation, and resolutions approved and issued by the Board of Directors, acting within the scope of their authority, during the year 2018 to 2019.

**IV. Election of the Board of Directors**

The Vice Chairman called for the nomination and election of the members of the Board who shall serve until the next annual stockholders' meeting or until their successors are duly elected and qualified. There are seven seats in the Board of Directors: five seats are for the regular members, while two seats are for independent directors.

The Vice Chairman mentioned that the Corporation is required by law to elect two independent directors. Only the candidates for independent directors who are included on the final list of candidates prepared by the Corporate Governance Committee are eligible to be elected independent directors. No further nominations for independent directors are allowed.

The Vice Chairman informed the stockholders that the Corporate Governance Committee has submitted to the Chairman the final list of candidates for independent directors. Based on the list, there are two nominees for independent directors, Ms. Mia G. Gentugaya and Mr. Rene Y. Soriano. The description of the background and qualifications of Ms. Gentugaya and Mr. Soriano is found on page 14 of the Information Statement which was distributed to the stockholders prior to the meeting.

The Chairman then opened the table for the nomination of five (5) regular directors of the Corporation. The Chairman gave the floor to the Corporate Secretary, Mr. Veloso, who discussed the qualifications and disqualifications of a regular director.

The following persons were nominated:

Mr. Tan Kian Seng  
Mr. Bryan K. Cockrell  
Mr. Eddie Yeo Ban Heng  
Mr. Antonio Rufino  
Mr. Wong Kok Ho

There were no other nominations. The nominating stockholder stated that the qualifications and business experience of the nominees are found on pages 13 to 16 of the Information Statement which was distributed to the stockholders prior to the meeting.

Upon motion made, seconded, and unanimously approved by the stockholders present it was:

RESOLVED, that the following:

Mr. Tan Kian Seng  
Mr. Bryan K. Cockrell  
Mr. Eddie Yeo Ban Heng  
Mr. Antonio Rufino  
Mr. Wong Kok Ho

are hereby elected as members of the Corporation for the year 2019 to 2020, to hold office until the next annual meeting of the stockholders of the Corporation, and until their successors are duly elected and qualified;

RESOLVED, FURTHER, that Ms. Mia G. Gentugaya and Mr. Rene Y. Soriano are hereby elected as independent directors for the year 2019 to 2020, to hold office until the next annual meeting of the stockholders of the Corporation, and until their successors are duly elected and qualified.

**V. Appointment of External Auditor and Authority of the Board to Fix Auditors' Remuneration**

The Vice Chairman informed the stockholders of the need to appoint the external auditor of the Corporation, and to authorize the Board to fix the remuneration of the external auditor. Pursuant to the requirements of the Revised Manual Corporate Governance of the Corporation, the Audit Committee and the Board recommended KPMG as the external auditor of the Corporation for the fiscal year 2019, with Mr. Enrico Baluyut as handling partner. KPMG is a professional partnership established under Philippine law, and is a member firm of KPMG International, a Swiss cooperative.

Upon motion made, seconded and unanimously approved by the stockholders present, it was:

RESOLVED, that the Corporation hereby appoints R.G. Manabat & Co. (a Member Firm of KPMG International), as the Corporation's external auditor for the fiscal year 2019, with Mr. Enrico Baluyut as handling partner;

RESOLVED, FURTHER, that the Board of Directors of the Corporation be hereby authorized to fix the remuneration or professional fees to be paid to R.G. Manabat & Co..

#### **VI. Per Diem of Directors of the Corporation**

The Vice Chairman informed the stockholders that the Corporate Governance Committee of the Corporation recommended that each regular director will be paid a per diem of PHP15,000, net of taxes, and each independent director will be paid a per diem of PHP15,720, net of taxes, for each attendance in a meeting of the Board of Directors. Members of the Audit Committee will also be paid a per diem of PHP15,000, net of taxes, for each attendance in a meeting of the Audit Committee.

There was a total of six meetings of the Board of Directors and four meetings of the Audit Committee for the period 15 May 2018 to 15 May 2019. Thus, a regular director who attended all of the Board of Directors meetings in 2018-2019 will be entitled to a total per diem of PHP90,000, net of taxes, while an independent director who attended all of the Board of Directors meetings in 2018-2019 will be entitled to a total per diem of PHP94,320, net of taxes. An Audit Committee member who attended all of the Audit Committee meetings in 2018-2019, will be entitled to a total per diem of PHP60,000, net of taxes. The Chairman informed the stockholders that the Board approved the payment of the per diem to the directors and members of the Audit Committee.

#### **VII. Other Matters**

The Vice Chairman opened the floor for questions by the stockholders.

A representative from I.B. Gimenez Securities, Inc. asked the Board about their thoughts on how they see the Corporation in the next two years. Mr. Cockrell mentioned that the next few years may still be a challenge to the Corporation in terms of trying to fill-up the rooms and improving the Corporation's overall performance. Mr. Cockrell further explained that after 2017, the Corporation faced a very challenging year and the results have only picked up in 2019. The Corporation's cash flow remains positive, maintaining a cash reserve of almost PHP260 million. He added that although showing a net loss on paper, the Board hopes to improve the numbers in

the next two years. The Chairman acknowledged that it has indeed been a constant struggle for the Corporation in view of the competition within the area of the hotel. He assured the stockholders, however, that the Management is looking at all potential avenues to further improve the performance of the Corporation.

Mr. Edgar Ngo, a stockholder of the Corporation, inquired about the current status of the Corporation's relationship with Casino Filipino. Mr. Cockrell explained that the Management has been pursuing this venture in the last five years, including negotiations with several potential locators for a casino. However, these locators have not been successful in obtaining the license from the Philippine Amusement and Gaming Corporation (**PAGCOR**).

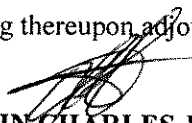
Mr. Ngo then asked whether the Corporation still has receivables from PAGCOR. Mr. Yam confirmed that there are still both accounts payable and receivable between PAGCOR and the Corporation, which are being subjected to reconciliation.

Mr. Ngo also inquired about the size of the area that PAGCOR occupied and whether this area is still vacant. According to Mr. Cockrell, the area is approximately 4,000 square meters and the Management has negotiated with several locators, including business process outsourcing (BPOs) offices and Philippine offshore gaming operators (POGOs) but the available area is not large enough to suit the size requirements for these types of businesses. On this note, Mr. Ngo suggested that the Management might want to consider converting the vacant space as a concert area to be able to raise revenue for the Corporation and Mr. Cockrell acknowledged Mr. Ngo's suggestion.

Ms. Espie Lopez, a stockholder of the Corporation, raised a suggestion that the Corporation should consider giving out tokens to its stockholders during shareholders' meetings. Mr. Cockrell noted this suggestion and said that the management will look into this recommendation for the next year's meeting.

#### **VIII. Adjournment**

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

  
**ALAIN CHARLES J. VELOSO**  
Corporate Secretary

Attest:

  
**BRYAN COCKRELL**  
Chairman of the Meeting