

MINUTES OF THE SPECIAL STOCKHOLDERS MEETING
OF
ARTHALAND CORPORATION
*Held via Zoom ® Webinar on
Wednesday, 31 January 2024*

<u>Total Common Shares Present</u>	3,727,670,065 ¹
<u>Total Preferred Shares Present</u>	12,500,000 (Series A) ² Undisclosed ³
<u>Total Number of Shares Outstanding and Entitled to Vote</u>	5,318,095,199 (common) 28,500,000 (preferred)

Directors Present

Mr. Ernest K. Cuyegkeng	Chairman of the Board
Mr. Jaime C. González	Vice Chairman and President ⁴
Mr. Ricardo Gabriel T. Po	Vice Chairman ⁵
Mr. Cornelio S. Mapa, Jr.	Treasurer and Executive Vice President
Mr. Jaime Enrique Y. González	Director
Mr. Christopher Paulus Nicolas T. Po	Director
Ms. Denise Loreena V. de Castro	Independent Director
Mr. Andres B. Sta. Maria	Independent Director
Mr. Hans B. Sicat	Independent Director ⁶

In Attendance

Mr. Christopher G. Narciso	Executive Vice President
Mr. Oliver L. Chan	Head of Sales Operations
Ms. Sheryll P. Verano	Head of Strategic Funding and Investments and Investor Relations Officer
Ms. Marivic S. Victoria	Chief Finance Officer
Atty. Riva Khristine V. Maala	Corporate Secretary and General Counsel
Atty. Margeline C. Hidalgo	Assistant Corporate Secretary and Legal Counsel
Ms. Michelle R. Mendoza-Cruz	Partner-in-Charge, Reyes Tacandong & Co.
Mr. Manuel Buensuceso Jr.	Partner, Reyes Tacandong & Co.
Ms. Kim Elizabeth V. Maxwell	BDO Unibank, Inc.-Trust and Investments Division
Ms. Gigi C. Arcaba	BDO Unibank, Inc.-Trust and Investments Division
Ms. Edelyn Jimeno	Professional Stock Transfer, Inc.
Ms. Hilda Amion	Professional Stock Transfer, Inc.

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¹ Consisting of CPG Holdings, Inc., AO Capital Holdings 1, Inc., Elite Holdings, Inc., Manchesterland Properties, Inc., and the members of the Board of Directors.

² Manchesterland Properties, Inc.

³ Lodged with Philippine Depository and Trust Corporation.

⁴ Chairman of the Stock Option and Compensation Committee and the Executive Committee

⁵ Chairman of the Governance and Nomination Committee and Vice Chairman of the Executive Committee

⁶ Chairman of the Audit and Risk Management Committee



I. Call to Order

Chairman Ernest K. Cuyegkeng called the meeting to order at 9:06 A.M. and presided over the same. The Corporate Secretary, Atty. Riva Khristine V. Maala, acted as Secretary of the meeting and recorded the minutes of the proceedings. The meeting was conducted *via* remote communication.

II. Proof of Due Notice of Meeting/Determination of Quorum

The Secretary confirmed that the Notice of this meeting was published on 10 and 11 June 2024 in the Philippine Star and the BusinessWorld, both newspapers in general circulation, in print as well as in their respective online platforms, following the directives of the Securities and Exchange Commission (SEC). The sworn Affidavits of Publication from PhilSTAR Daily, Inc., the corporation which publishes the Philippine Star, and from the BusinessWorld, both dated 11 January 2024, were noted and made integral parts of the meeting materials.

The Notice of the meeting was also uploaded to the Corporation's website www.arthaland.com and that of the Philippine Stock Exchange (PSE) beginning 10 January 2024, together with the Information Statement and other relevant meeting materials in compliance with the latest mandates of both the SEC and the PSE on the calling of stockholders meetings through remote communication.

The Secretary declared that stockholders owning 3,727,670,065 common shares and 12,500,000 preferred shares, or 69.95% of the total outstanding common and preferred shares of the Corporation were present either in person or by proxy, and such constituted more than fifty-percent (50%) of the outstanding capital stock of the Corporation. The Secretary then certified that a quorum existed for the transaction of business by the stockholders.

Other members of the Board were thereafter introduced. The Chairman also acknowledged the presence of Atty. Maala, Assistant Corporate Secretary Atty. Margeline C. Hidalgo, the audit partners from Reyes Tacandong and Co., the Corporation's external auditor, and the representatives of BDO Unibank, Inc.-Trust and Investments Division and Professional Stock Transfer, Inc., the Corporation's stock transfer agents.

III. Amendment of Article SEVENTH of the Articles of Incorporation

The Chairman proceeded to the sole item in the agenda which is the proposal to amend Article SEVENTH of the Articles of Incorporation.

Vice Chairman and President Jaime C. González explained that the Corporation's authorized capital stock presently stands at ₱2,996,257,135.82 divided into 16,368,095,199 common shares with a par value of ₱0.18 per share, and 50.0 million preferred shares with a par value of ₱1.00 per share. Of the 50.0 million preferred shares, 48.5 million have been issued to date, as follows:

- a. 12,500,000 Preferred Shares Series A
- b. 20,000,000 Preferred Shares Series B
- c. 10,000,000 Preferred Shares Series C, and
- d. 6,000,000 Preferred Shares Series D.

It was recalled that in December 2021, the Corporation redeemed in full the 20,000,000 Preferred Shares Series B and these are now booked as treasury shares. Thus, only 1,500,000 preferred shares are available for issuance.

In anticipation of future fund-raising activities of the Corporation for its projects and working capital, Vice Chairman and President González presented to the stockholders the proposal to amend Article SEVENTH of the Articles of Incorporation to increase the authorized capital stock of the

FOR APPROVAL ON 28 JUNE 2024

Corporation by an additional 50,000,000 preferred shares with a par value of ₱1.00 per share. It was emphasized that the Corporation will not be offering preferred shares to the public at this time.

Atty. Hidalgo thereafter explained that should the stockholders approve the proposal to increase the authorized capital stock by an additional 50,000,000 preferred shares with a par value of ₱1.00 per share, the total authorized capital stock of the Corporation will be ₱3,046,257,135.82 composed of ₱2,946,257,135.82 of common shares consisting of 16,368,095,199 common shares with a par value of ₱0.18 per share, and ₱100,000,000.00 of preferred shares consisting of 100,000,000 preferred shares with a par value of ₱1.00 per share.

However, the stockholders were reminded that during the Annual Stockholders Meeting held on 24 June 2022, they had already approved the amendment of Article SEVENTH of the Corporation's Articles of Incorporation for purposes of decreasing its authorized capital stock by ₱20,000,000.00 to cancel the 20,000,000 Preferred Shares Series B that had been redeemed in December 2021 from the holders thereof. With such approval in June 2022, the Corporation's authorized capital stock was in effect reduced from ₱2,996,257,135.82 to ₱2,976,257,135.82, composed of ₱2,946,257,135.82 of common shares consisting of 16,368,095,199 common shares with a par value of ₱0.18 per share, and ₱30,000,000.00 of preferred shares consisting of 30,000,000 preferred shares with a par value of ₱1.00 per share. The foregoing approval granted by the stockholders on 24 June 2022 has not been revoked and remains valid.

The approval of the stockholders was thereafter sought to confirm and ratify the decrease in the authorized capital stock as previously approved during the Annual Stockholders Meeting held on 24 June 2022, as well as the increase in the authorized capital stock by ₱50,000,000.00 million consisting of 50,000,000 preferred shares with a par value of ₱1.00 per share, which will result in a total authorized capital stock of ₱3,026,257,135.82 divided into ₱2,946,257,135.82 of common shares consisting of 16,368,095,199 common shares with a par value of ₱0.18 per share, and ₱80,000,000.00 of preferred shares consisting of 80,000,000 preferred shares with a par value of ₱1.00 per share.

The current Article SEVENTH of the Corporation's Articles of Incorporation and the proposed amendment thereto was then presented to the stockholders as follows:

<u>Article and Number</u>	<u>Current Provision (as of 2018)</u>	<u>Proposed Amendment</u>
ARTICLE VII Authorized Capital Stock	That the authorized capital stock of the Corporation is Philippine Pesos: Two Billion Nine Hundred Ninety Six Million Two Hundred Fifty Seven Thousand One Hundred Thirty Five and 82/100 (₱2,996,257,135.82) divided into Philippine Pesos: Two Billion Nine Hundred Forty Six Million Two Hundred Fifty Seven Thousand One Hundred Thirty Five and 82/100 (₱2,946,257,135.82) of common shares consisting of 16,368,095,199 common shares with a par value of Philippine Pesos: Eighteen Centavos (₱0.18) per share and Philippine Pesos: Fifty Million (₱50,000,000.00) of preferred shares consisting of 50,000,000 preferred shares with a par value of Philippine Peso: One (₱1.00) per share.	That the authorized capital stock of the Corporation is Philippine Pesos: <u>Three Billion Twenty Six Million Two Hundred Fifty Seven Thousand One Hundred Thirty Five and 82/100 (₱3,026,257,135.82)</u> divided into Philippine Pesos: Two Billion Nine Hundred Forty Six Million Two Hundred Fifty Seven Thousand One Hundred Thirty Five and 82/100 (₱2,946,257,135.82) of common shares consisting of 16,368,095,199 common shares with a par value of Philippine Pesos: Eighteen Centavos (₱0.18) per share and Philippine Pesos: <u>Eighty Million (₱80,000,000.00) of preferred shares consisting of 80,000,000 preferred shares with a par value of Philippine Peso: One (₱1.00) per share.</u>

	<p>The preferred shares shall be redeemable and have such features as the Board of Directors may prescribe, provided that, in no case shall such preferred shares be voting or participating.</p> <p>The shares of stock of the corporation are not subject to pre-emptive rights of stockholders, and may be issued for the unissued portion of authorized capital stock in such quantities, at such times, and under such terms as the Board of Directors shall determine.</p>	<p>The preferred shares shall be redeemable and have such features as the Board of Directors may prescribe, provided that, in no case shall such preferred shares be voting or participating.</p> <p>The shares of stock of the corporation are not subject to pre-emptive rights of stockholders, and may be issued for the unissued portion of authorized capital stock in such quantities, at such times, and under such terms as the Board of Directors shall determine.</p>
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The Chairman asked the stockholders present if they had any questions and reminded everyone of the Q&A button on their screens to input any queries. They were also reminded of their appraisal right pursuant to Section 81 of the Revised Corporation Code. However, no questions were raised.

At this point, the Chairman announced that stockholders of the Corporation which hold at least 67% of the total outstanding capital stock, namely, CPG Holdings, Inc., AO Capital Holdings 1, Inc., Elite Holdings, Inc., and Manchesterland Properties, Inc., will vote in favor of the amendment of Articles SEVENTH of the Articles of Incorporation, as presented.

There being no comments and objections, the proposed corporate action was carried, and the stockholders present approved, confirmed and ratified the amendment of Article SEVENTH of the Articles of Incorporation, to wit:

<u>Vote</u>	<u>Number of Votes</u>	<u>Percentage of Shares Represented</u>
Yes	3,727,670,065 common shares	69.95%
	12,500,000 preferred shares	
No	0	0
Abstain	0	0

and further approved the following resolution:

Amendment of Articles of Incorporation
– Decrease of Authorized Capital Stock with Cancellation of 20.0M Preferred Shares Series B and Increase of Authorized Capital Stock by 50.0M Preferred Shares

“RESOLVED, that the decrease of the authorized capital stock of the Corporation by ₱20,000,000.00 with the cancellation of 20,000,000 preferred shares Series B presently recorded as treasury shares be, as it is hereby, APPROVED, CONFIRMED and RATIFIED.

“RESOLVED, FURTHER that the increase of the authorized capital stock of the Corporation by ₱50,000,000.00 with the creation of 50,000,000 preferred shares with a par value of ₱1.00 per share be, as it is hereby, APPROVED and CONFIRMED.

“RESOLVED, FURTHER that the following amendment to Article SEVENTH of the Corporation’s Articles of Incorporation be, as it is hereby, APPROVED and CONFIRMED:

“SEVENTH – That the authorized capital stock of the Corporation is Philippine Pesos: Three Billion Twenty Six Million Two Hundred Fifty

Seven Thousand One Hundred Thirty Five and 82/100 (P3,026,257,135.82) divided into Philippine Pesos: Two Billion Nine Hundred Forty Six Million Two Hundred Fifty Seven Thousand One Hundred Thirty Five and 82/100 (P2,946,257,135.82) of common shares consisting of 16,368,095,199 common shares with a par value of Philippine Pesos: Eighteen Centavos (P0.18) per share and Philippine Pesos: Eighty Million (P80,000,000.00) of preferred shares consisting of 80,000,000 preferred shares with a par value of Philippine Peso: One (P1.00) per share.

“The preferred shares shall have such features as the Board of Directors may prescribe, provided that, in no case shall such preferred shares be voting or participating.

“The shares of stock of the corporation are not subject to pre-emptive rights of stockholders and may be issued for the unissued portion of authorized capital stock in such quantities, at such times, and under such terms as the Board of Directors shall determine.

“RESOLVED, FINALLY, that Management is authorized to effect modifications in language on the above amendment of the Corporation’s Articles of Incorporation to satisfy the requirements imposed by regulatory agencies that will approve the same.”

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Similar to prior issuances of the Corporation, pursuant to the last paragraph of the present Article SEVENTH of the Articles of Incorporation, it was emphasized that the Board of Directors has the authority to determine the manner of issuance, sale and distribution of the Corporation’s shares through private placement, public offering, and the like.

IV. Adjournment

There being no further matters to take up, on motion made and duly seconded, the meeting was adjourned at 9:26 P.M. The directors of the Corporation were requested to attend the Meeting of the Board of Directors to be held immediately after this meeting.

CERTIFIED CORRECT:


RIVA KHRISTINE V. MAALA
Secretary of the Meeting

Attested by:


ERNEST K. CUYEGKENG
Chairman of the Board/Meeting