

MINUTES OF THE ANNUAL MEETING OF STOCKHOLDERS OF
ALLIANCE GLOBAL GROUP, INC.

20 June 2019, 9:00 o'clock a.m.

Grand Ballroom, Eastwood Richmond Hotel, 17 Orchard Road,
Eastwood City, Bagumbayan, Quezon City, Metro Manila, Philippines

I. CALL TO ORDER

The President, Mr. Kingson U. Sian, welcomed the stockholders to the meeting. He then turned over the floor to the Chief Executive Officer, Mr. Kevin Andrew L. Tan, who was designated as the Presiding Officer of the meeting. Thereafter, the Presiding Officer called the meeting to order at 9:08 a.m.

II. CERTIFICATION OF NOTICE AND QUORUM

The Corporate Secretary, Atty. Alan B. Quintana, certified that all stockholders as of 30 April 2019, the record date of the Annual Meeting, have been notified of the Annual Meeting and that there exists a quorum for the transaction of business for the Annual Meeting, there being present in person or by proxy, stockholders holding 71.74% of the entire subscribed and outstanding capital stock of the Corporation. He certified further that only stockholders who have registered may be heard at the meeting.

III. APPROVAL OF MINUTES OF PREVIOUS ANNUAL MEETING

The Presiding Officer informed the stockholders that the next item on the agenda is the reading and approval of the Minutes of the Annual Stockholders' Meeting held on 18 September 2018.

A motion was made to dispense with the reading of the Minutes of the Annual Stockholders' Meeting held on 18 September 2018 as copies thereof had earlier been furnished to all stockholders in attendance and to approve the same. After having been moved and duly seconded, the Minutes of the Annual Stockholders' Meeting held on 18 September 2018 was approved.

IV. REPORT OF MANAGEMENT

The Presiding Officer then turned the floor over to Dr. Andrew L. Tan, who delivered the Chairman's message as follows:

The year 2018 was another period of strong performance for Alliance Global Group, Inc. (AGI). Our subsidiaries broke barriers, set newest trends and surpassed expectations as we continue to disrupt the market and outperform the competition.

We recorded unprecedented level of consolidated revenues of P156.8 billion and a net income of P23.7 billion for the year. The strong performance of our subsidiaries has placed us once more at a business highpoint. This was achieved through our aggressive expansion strategies in the past five years with prudent financial management across our various business segments.

Megaworld Corporation, our property development arm, posted record earnings of P15.8 billion on revenues of P57.4 billion in 2018.

During the year, it has launched its biggest series of residential projects yet since it initially broke ground 30 years ago. Totaling P106 billion worth of development projects with over 11,200 residential units were made available to the market in Metro Manila, as well as in the northern and southern regions of the country.

New lifestyle malls were built within its townships, bringing to 700,000 square meters its total gross floor area of commercial spaces designed to provide a new level of retail

experience to its customers. More office towers were also completed, beefing up gross leasable space to an aggregate of 1.1 million square meters.

Topping our list of office projects, we are very pleased to be the chosen firm of JP Morgan Chase Bank NA. to construct its build-to-suit global service center in the Philippines. This huge project brokered something more than just an edifice: the proffered trust proved most invaluable. Contracts akin to these should reinforce Megaworld's foothold in the real estate industry.

As we align ourselves with the continued growth in the country's tourism sector, our Group opened the doors of more new hotels in Metro Manila and in other key provincial cities. To-date, AGI – under the combined hotel portfolio of Megaworld and Travellers International Hotel Group, Inc.– currently offers a total of 5,175 rooms to our valued guests, bringing us closer to our target of 12,000 keys in three to five years.

The Hilton Hotel and Sheraton Hotel now tower within the Resorts World Manila complex and will soon be joined by other world-renowned brands such as Hotel Okura and the Ritz-Carlton Hotel. Iloilo City finally has its first international hotel on the unveiling of the Courtyard by Marriott in Iloilo Business Park. Our homegrown brands have also performed well, including our newly-launched Twin Lakes Hotel & Spa in Batangas. Aggregate revenues from our hotel operations have reached P5.0 billion in 2018.

Resorts World Manila, owned and operated by Travellers, still maintains its position as the country's most expansive integrated leisure and entertainment resort. Travellers recorded P1.4 billion in net profit in 2018 as gross revenues reached P24.7 billion.

Gross gaming revenues rose by 17%, driven by the strong surge in VIP rolling volumes while its mass segment also recovered. The soft opening of the Grand Wing saw an upturn in property visitation which averaged at 28,500 per day while hotel occupancy rate stood at 79% across its various international hotel brands.

Emperador Inc. rides high on its brandy dominance in the global market and record-breaking feats in international whisky sales. In 2018, its consolidated revenues reached P47.1 billion while net profit amounted to P6.8 billion as we continued to expand our spirits portfolio in terms of product variation and market performance.

Whyte and Mackay maintains its remarkable growth, driven by its leading single malt brands The Dalmore and Jura. The Dalmore remains at the apex of the Scotch whisky single malt category as the brand attracted new consumers through both the Core Range and the Rare Expressions. Our other single malt whiskies Jura, Tamnavulin and Fettercairn have widened their market reach with numerous product launches. Our blended whisky, Shackleton, also continues to strengthen its market stature in the UK, US and Travel Retail, and sees Asia as a new region to conquer this year.

Bodegas Fundador prevails as one of the world leaders in the brandy segment. Its Fundador Supremo 18YO, a super-premium Brandy de Jerez, has earned recognition as the Best Grape Brandy at the Hong Kong International Wine & Spirit Competition. Our Domecq trademarks have also gained a firm commercial reach to South America, specifically Brazil and Colombia, and in the US.

Despite fierce competition among local brands, our flagship product Emperador Brandy maintains its nationwide market leadership, particularly in key metro cities. Emperador Light celebrated its success as it honors the resilience of the Filipinos with the "Galing ng Pilipino" ad campaign that cuts across different media platforms and complete with its original accompanying song, "Ating Tagumpay". We successfully launched in the local market The Bar Premium Gin in Pink, Lime and Premium Dry variants which has become a certified party favorite among the young crowd. Slowly but surely, our spirits

brands have captured the taste and patronage of strong drinks aficionados both here and overseas.

Our quick service restaurant business under Golden Arches Development Corporation has launched its first batch of NXTGEN stores in 2018, bringing innovations that will upgrade service and consumer dining experience to the next level. McDonald's ended the year with 620 stores, effectively adding one store a week under its aggressive expansion program across the country. This, coupled with a healthy growth in same-store sales, have underpinned its improvement in revenues to P28.3 billion and profit to P1.6 billion during the year.

The youngest enterprise among our line-up of subsidiaries, Infracorp Development Inc., has succeeded to be granted original proponent status in both of its maiden projects. The Fort Bonifacio-Makati Skytrain, a 2-kilometer monorail which will link our Uptown Bonifacio Township to Makati City, will immensely alleviate the everyday commute of the riding public.

Another project, the rehabilitation and upgrade of the Ninoy Aquino International Airport (NAIA), will help increase the capacity of NAIA in accommodating an estimated 47 million passengers in 2021 and about 65 million passengers by 2023.

Through a quarter of a century since our incorporation, AGI has built a proven track record of creating value over time and in delivering sustainable and profitable growth for its stakeholders. We continue atmosphere for all of our business segments.

AGI will always rely on the staunch dedication and unwavering support of all of our stakeholders for continued corporate advancement and in pursuit of nation-building. Once more I seek the same passion and your unrelenting commitment to spur our group to initiate and innovate more groundbreaking strategies for the fulfillment of our goals for 2019 and the years to come.

Thank you.

After the Chairman's message, the Presiding Officer made a short presentation on the performance of the Company for the year 2018. Thereafter, the floor was opened for questions from the stockholders.

V. OPEN FORUM

Stockholder 1: Good morning. I am Jojit Marzan. In the presentation, you indicated the Group's continued aggressive expansion plans with CAPEX of P410 billion for 2020 up to 2025. How do you think this will affect your financial gearing moving forward?

Mr. Kevin Tan: In our presentation, we indicated that the CAPEX program for the next five years is about P410 billion. About 70% of that budget will be allocated to Megaworld's residential, office and commercial projects, as well as landbanking requirements. Another 15%, as mentioned, will be spent for Travellers' Westside City Resorts World project while the balance will be spent by the other subsidiaries.

We believe at this time, our subsidiaries have generally built enough EBITDA so that the bulk of their expansion plans can be funded by using internally generated cash. And so we do not anticipate much funding requirements through borrowing at this time, which also means that our financial gearing will most likely have little change. But please note that we will always use financial prudence as we implement our expansion plans.

Stockholder 2: Good morning. I'm Clowey Lima. Congratulations on your milestones last 2018 and your very good performance this the first quarter of 2019. My question is, do you think you can keep this strong performance for the rest of the year?

Mr. Kevin Tan: Yes. We believe that all our businesses are in good positions to maintain their respective growth trajectories. For example, Megaworld continues to enjoy healthy property sales and is currently supported by a very attractive rental portfolio that is growing also. There are also some indications that maybe there will be more interest rate cuts this year which will definitely benefit the industry as a whole.

Travellers is beginning to regain its gaming market share, particularly in the VIP segment which grew more than a hundred percent in the first quarter, and it continues to grow. And also our average daily foot traffic into the properties is at all-time high, now hitting 35,000 people a day.

Our hotel operations under Megaworld and Travellers have been growing on the back of our capacity expansions and the continued growth in domestic and foreign tourism activities in the country. Also we are experiencing record high occupancy across all our various brands.

Emperador also continues to perform very well, most especially our international whisky sales and brandy products, which is why we continue to pursue a premiumization strategy.

Lastly, McDonald's business has seen renewed surge in sales. We have also launched a couple of new product offerings. We are also very excited with the new online platform and delivery services we have engaged in. They have proven to be contributing well to our sales. So definitely we believe that we can maintain our momentum throughout the year.

Stockholder 3: Good morning Sir. I am Angelica Janine Salazar. My question is, how sensitive is the Group to the fluctuations in the foreign exchange rate?

Mr. Kevin Tan: Our group has made earnest efforts to reduce the foreign-currency debt exposure. Five years ago, over 70% of our borrowings were in foreign currencies. Now we have reduced the ratio to about 40%. We intend to keep the share of our foreign currency debts even lower moving forward.

Stockholder 4: Good morning. My name is Glette Yzak Muring. We have seen in the news about your sustainability measures on Megaworld. Will you be extending such efforts to the rest of your subsidiaries like Emperador, GADC and even Infracorp?

Mr. Kevin Tan: Yes. Megaworld had started the initiative when we announced that we intend to be reliant to total renewable resources by 2025 for all our townships, which is why we have started to engage all of our power suppliers to switch to renewal sources within 3 to five years. Aside from that, out of the 4,700 hectares of developable land, about 1,200 of that will be maintained as an open space and green parks. In addition to that, we have about 500 hectares of forest land in our portfolio which we intend to keep to lower our carbon footprint. These are just examples of sustainable efforts that we will be doing. Of course, we will definitely also have initiatives for the other companies. Each company will have their own set of initiatives which we will roll out in the next 3 years as well.

Stockholder 5: Good morning. I am Sam Canoa, stockholder. In a news article last year, Infracorp plans to propose another monorail project connecting MRT 3, Santolan Station to Eastwood City. May I know an update on the proposal?

Mr. Kevin Tan: We are still currently studying that particular project. We are currently doing the traffic demand studies for that, and we are also taking into consideration some other developments in the area. We have just informed DOTr, but we have not formally submitted a proposal yet. But we will update you in the coming months.

Sam Canoa: For the NAIA consortium, what are the group discussions about the government's plan to transfer other flights from NAIA to Sangley Airport?

Mr. Kevin Tan: Well, as an interim measure we welcome that strategy. We are also a firm believer that Manila can actually accommodate definitely more than one airport, even up to three, or four given the population that we have and the growth of the population in the Metro Manila area. We actually welcome it and we feel that it can complement NAIA, if that is to happen.

Sam Canoa: Will the NAIA consortium or the Infracorp join the Swiss challenge for the Bulacan airport project?

Mr. Kevin Tan: No, we have no plans to do that. Thank you. Last question?

Stockholder 6: Good morning. I am Don Francis C. Mendoza. My question is, are you looking to extend your share buyback program as it seems to have successfully improved AGI's valuation in the market?

Mr. Kevin Tan: This is still under study by your Board. While we believe that AGI is still largely undervalued, we also need to balance this with the need to maintain a reasonable free float to ensure our stock's liquidity in the market. Whatever we decide, please be assured that we will always have you, our dear shareholders, in mind. Thank you.

VI. APPOINTMENT OF EXTERNAL AUDITORS

The Presiding Officer informed the stockholders that the Board of Directors, upon recommendation of the Audit Committee, has resolved to reappoint Punongbayan & Araullo as external auditors of the Corporation for the audit of the corporation's financial statements for the year ending December 31, 2019, and that this is now being submitted for approval by the stockholders.

Upon motion made and duly seconded, the stockholders approved the reappointment of Punongbayan and Araullo as the external auditors of the Corporation for the audit of the Corporation's financial statements for the year ending December 31, 2019.

VII. RATIFICATION OF ACTS OF THE BOARD OF DIRECTORS, BOARD COMMITTEES AND OFFICERS

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 Officers of the corporation from January 1, 2018 up to the date of this meeting. He informed the stockholders that a list of such acts is provided in the Definitive Information Statement distributed to the stockholders.

Upon motion made and duly seconded, the stockholders ratified all acts and resolutions of the Board of Directors, Board Committees and Officers of the corporation from January 1, 2018 up to the date of this meeting.

VIII. ELECTION OF DIRECTORS

The Presiding Officer informed the stockholders that, for the current year 2019, the corporation will be electing seven directors, at least two of whom shall be independent directors pursuant to the Securities and Regulation Code and the corporation's Revised Manual of Corporate Governance. He requested Ms. Faith Martinez, on behalf of the Corporate Governance Committee, to present the Final List of Nominees for members of the Board of Directors.

Ms. Martinez, on behalf of the Corporate Governance Committee, then presented the Final List of Nominees for election as members of the Board of Directors, as follows: Andrew L. Tan, Kevin Andrew L. Tan, Kingson U. Sian, Katherine L. Tan and Winston S. Co, as regular directors; and, Sergio R. Ortiz-Luis, Jr., and Alejo L. Villanueva, Jr., as the independent directors. Ms. Martinez 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.

Upon motion made and duly seconded, all seven nominees were considered elected to the Board of Directors for the current year 2019 by acclamation.

IX. ADJOURNMENT

The Presiding Officer inquired if there were any other matter in the agenda. The Corporate Secretary replied there were none. Thus, on motion duly made and seconded, the meeting was adjourned at 09:50 a.m.