

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

29 September 2016

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

I. CALL TO ORDER

The presiding officer, MR. KINGSON U. SIAN, called the meeting to order at 9:17 a.m.

II. CERTIFICATION OF NOTICE AND QUORUM

The Corporate Secretary, MR. DOMINIC V. ISBERTO, informed the body that, based on the certification of the Corporation's stock transfer agent, the notices of the Annual Meeting had been sent to stockholders as of 19 August 2016, the record date of the Annual Meeting. He likewise certified that there exists a quorum to transact the business in the agenda, there being present, either in person or by proxy, stockholders holding 84.97% of the subscribed and outstanding capital stock of the Corporation and only stockholders who have registered may be heard at the meeting.

III. APPROVAL OF MINUTES OF PREVIOUS ANNUAL MEETING

Since copies of the Minutes of the Annual Stockholders' Meeting held last 15 September 2015 had earlier been furnished to all stockholders in attendance, upon motion made and duly seconded, the reading of the said minutes was dispensed with and the same were approved.

IV. REPORT OF MANAGEMENT

On behalf of the Corporation, DR. ANDREW L. TAN, Chairman and CEO, delivered the management report for the year 2015:

The year 2015 will be remembered as the year when Alliance Global Group, Inc. (AGI) set records in net income and consolidated revenues as we continued our thrust to expand our geographic footprint both in the Philippines and across the globe.

We posted P21.6 billion in net income, reflecting a 3.5% improvement over the previous year, driven by sustained gains of our major businesses which include property development, food and beverage manufacturing and distribution, quick-service restaurants, and integrated tourism development. This was achieved on the back of a robust 10.9% year-on-year growth in consolidated revenues to P139 billion, the highest in our company's history.

All our businesses delivered strong results in 2015. Megaworld Corporation recorded a 10.6% year-on-year increase in core net income to P10.4 billion, driven by its development and investment projects within its townships throughout the country. Emperador Inc. posted a 12.2% year-on-year growth in net profit to P7.0 billion as the full year contribution from its Scotch whisky business under Whyte and Mackay pushed revenues to grow to P43.6 billion. Travellers International Hotel Group, Inc. registered a net income of P4.0 billion as it continued to build on its mass and premium mass gaming segments and raise the contribution from its non-gaming businesses. Golden Arches Development Corporation generated P760 million in net income as it benefitted from its aggressive store expansion program.

Our company's outstanding performance is a result of our continuous efforts to innovate and remain proactive in order to keep our leadership in an increasingly challenging and competitive market. This is part of our commitment and dedication to sustain our company's growth.

For instance, four out of five of Megaworld's new live-work-play-learn townships launched in 2015 are located outside of Metro Manila. These are in Pampanga (for its township called Capital Town Pampanga), Bacolod (The Upper East and Northill Gateway) and Iloilo (Sta. Barbara Heights). The company has also intensified its thrust to grow its recurring income stream with more office, commercial and hotel projects to complement our residential development. Backed by its huge landbank of over 3,300 hectares, Megaworld's move is in line with its efforts to tap various areas throughout the country where it could replicate its successes in township development. These undertakings are expected to provide the company with new sources of growth moving forward.

While maintaining its leadership in the domestic market through its premiumization strategy, Emperador is also fast-becoming a truly global liquor player. The purchase of Bodegas Fundador and other Spanish assets, coming just a year after the acquisition of Whyte and Mackay, has provided Emperador with internationally renowned brands and market access to over 100 countries throughout the world. Now, The Dalmore and Jura Scotch whiskey and the iconic Fundador brandy sit well together with Emperador's own Andy Player premium whisky which was relaunched during the year. These brands complete the roster of Emperador products that cover all segments of the market and which could provide the company with another leg for growth in the near future.

Travellers International Hotel Group, Inc., which owns and operates Resorts World Manila (RWM), remains to be the country's most profitable tourism-entertainment and gaming company. To further enhance its position in the industry, Travellers is committed to complete its ongoing expansion programs within RWM. It's Marriott Grand Ballroom, which became operational in 2015, is now a preferred venue for MICE (meetings, incentives, conventions and exhibition) activities and now contributes to the group's non-gaming revenues. It is Travellers' intention to further grow its non-gaming component alongside its mass and premium mass segment to sustain its profitable operations even amidst intensifying competition in the gaming sector.

Golden Arches Development Corporation, which owns the master franchise for McDonald's in the Philippines, grew its revenues by 9% year-on-year, boosted in part by its new restaurant openings, reimagining of existing ones, and the introduction of new products and enhanced services. These activities ensure that McDonald's remains relevant and adaptable to the changing tastes, preferences and lifestyle of its consumers.

Our strong operating performance in 2015 only serves to inspire us to continue to do better to accelerate our growth trajectory and maintain our market leadership. We have already laid out the foundation and made significant investments across all our business segments, both here and abroad, in order to future-proof our growth. On that note, I would like to express my deepest appreciation to all our employees, our management team, and our business partners for their unwavering dedication and support. With our strong commitment to succeed, we look forward to setting new milestones for the Group in 2016 and beyond.

Thank you.

V. OPEN FORUM

Question 1: Good morning. My name is Carmina Misolas. The competition has certainly peaked up a lot in recent years. What can you say are your biggest advantages or strengths versus your peers that will allow you to maintain or even improve your respective industry positions?

Mr. Sian: Well if you look at Megaworld we are probably the major player in township development. I don't think anybody comes close to that, with 21 townships across 3,000 hectares of land. And to be able to get that kind of quality of land, of that scale, across major city centers in the nation, takes a long time. And even if you have the resources to do that, it will cost a lot more today if you were to accumulate that kind of land bank. A lot of these land bank have been procured a couple of years back, at a lower cost, so it puts us in a major advantage both on residential development and our BPO and retail developments. So I think Megaworld is well-positioned going to the future. For Emperador, the two major acquisitions, puts us as the only company in the Philippines that has access to global brands, such as Dalmore and Fundador, and technology, aging facilities, so that, again, truly futureproofs our growth going forward. For our tourism segment, it plays a little bit on the property side. We have properties across the nation in key tourism sites, and therefore, again, it positions us way ahead of competition in terms of tourism investments.

Question 2: Good morning. My name is Alfredo Parungao. I represent the Shareholders' Association of the Philippines, or SharePhil. We are a professional organization whose objective is to make shareholders more aware of their rights and responsibilities as shareholders. Listening to your report, Mr. Sian, I have one question. I would like to know what are the business risks that Alliance Global is facing in 2016 and what are the plans of the company in addressing these business risks? Thank you.

Mr. Sian: Well, of course we are always looking out for how to mitigate the risks. If you were talking about, let's say, Emperador, obviously it is a global business now. We are in a different platform in terms of competition. One way of addressing that was to partner with very strong partners globally to help distribute products. In the US, we partnered with Gallo, which is one of the largest in that space. It helps us to expand and lowers our risk. We also, through our acquisitions, will be able to control our raw material supply, through our vineyards, and the supply of liquid. So those types of acquisitions are not only to futureproof our growth but also to help us mitigate risks on the operations side. On Megaworld, as I mentioned, the key raw material for Megaworld, or for any property developer, is land. Once we run out of land, no matter how beautiful your plan is, you will not be able to develop as fast, or maybe your margins will be lower because you have to acquire at a higher price. I think we had the foresight, thru our Chairman, to put together a massive land bank five, ten years ago, and I think even we do not have to acquire land today, I think our growth development plan is secure for the next fifteen years. Yes, there are a lot of risks that are involved in running our business, but with proper planning, foresight and fortitude, belief in the country that in the long term, the growth is there, we are willing to invest for the long term, which is evident in the land acquisitions we have done previously and the major acquisitions we have done thru Emperador.

Question 3: Good morning. My name is Roxenne Batoleño. Are you going to participate in real estate investment trust for Megaworld, and what are the benefits if you do?

Mr. Sian: The question is about the REIT, whether we will participate in it. Of course, there are some amendments that need to happen on the Implementing Rules and Regulations. I think the government is motivated to do that based on pronouncements so far by our Finance Secretary so we are watching it carefully, with keen interest. But I don't think anything will happen this year, in terms of new REITs. If at all, it will be next year, at the earliest. But certainly it will be interesting for us to look at it keenly as it will help unlock a lot of value from our balance sheet which will help improve market cap, and at the same time provide fresh funds for us to accelerate growth of our BPO and retail developments.

Question 4: Good morning, Sir. My name is Sarah Anunciacion. I have a question regarding Emperador. Emperador has touted its globalization thrust following the acquisition of Whyte & Mackay Group and Fundador. What synergies could these global businesses bring to the domestic Emperador operations?

Mr. Sian: The acquisition of Whyte and Mackay and Fundador allows, as I've mentioned earlier, and gives us unique access to raw materials through our vineyards in Spain, the liquid that we have in Scotland for whisky, the ageing facilities, the technology – those are all obviously positive things that will benefit our local products. At the same time, we have acquired global brands that are known. These are not easy; they don't come by often. And also, because of the premiumization of those brands, it creates a halo effect to our local brands as well. I think the other thing that I've mentioned also is the global network of sales in a hundred countries allow us access to those markets for our Emperador products.

VI. APPOINTMENT OF INDEPENDENT AUDITORS

Upon motion made and duly seconded, the stockholders approved a resolution appointing Punongbayan and Araullo as the independent auditors of the Corporation for the audit of its financial statements for the year ending December 31, 2016.

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

Upon motion made and duly seconded, the stockholders approved a resolution ratifying all acts and resolutions of the Board of Directors, Board Committees, and Officers of the Corporation during the period up to the date of this meeting.

VIII. ELECTION OF DIRECTORS

A representative of the Nomination Committee informed the body of the final list of nominees to the Board of Directors of the Corporation for the current year 2016, as follows: **Andrew L. Tan, Kingson U. Sian, Winston S. Co, Katherine L. Tan, and Kevin Andrew L. Tan**, as regular directors, and **Sergio R. Ortiz-Luis, Jr., and Alejo L. Villanueva, Jr.** as the independent directors.

The Corporate Secretary then informed the Presiding Officer that no further nominations are allowed. Thereafter, since there were only seven nominees to the Board, the Presiding Officer declared all seven nominees elected as Directors.

IX. OTHER MATTERS

Question 1: Good morning Mr. Chairman, Mr. President. I want to clarify something. Suntrust Properties and Suntrust Home Developers are confusing. Suntrust Home Developers, Inc. is the listed company and one of the subsidiaries of Alliance Global, and Suntrust Properties is a subsidiary of the same Group. Is it possible that these companies be merged or buy out each other to make one?

Mr. Sian: Thank you for your question. The listed company is an independent company, but certainly we take note of your comments about the possible confusion. We will obviously take note of that and look into it. But, at this point, because Suntrust Home Developers is an independent company, I don't think there is a possibility to merge the two.

Question 2: Suntrust Properties is advertising its company so some brokers or other prospective clients and shareholders confuse this as one of the companies listed. So maybe you can look further. At the same time, can we request the events organizer or the Directors [for] parking ticket or parking complimentary pass for the ones attending this event? Thank you.

Mr. Sian: Thank you, sir, and we will take note of your suggestions and requests.

Question 3. Mr. Chairman, good morning. This is for other matters. With the present move of our President of distancing our country from the US and establishing business relationships with China and Russia, my question is will it be good for the economy of our country?

Mr. Sian: I think, precisely why we showed our plans because it goes to show that we continue to be very bullish about the prospects of our economy and we have laid out a very clear path of growing each of the businesses and we will continue to invest as we believe in the prospects of the country.

Question 4: Thank you, Mr. Chairman. May I have one suggestion? Can we provide one microphone at the back for the convenience of those who will be asking questions? Every now and then we are having meetings here in this hotel and every time there is only one microphone. Will it be possible that one microphone will be provided at the back? Thank you, Sir.

Mr. Sian: Thank you, sir, and we will take note of your suggestions and requests.

X. ADJOURNMENT

Upon motion made and duly seconded, the meeting was adjourned at 10:05 A.M.

PREPARED BY:

(SGD.) DOMINIC V. ISBERTO
Corporate Secretary

NOTED:

(SGD.) ANDREW L. TAN
Chairman