

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

To All Stockholders:

Please be informed that the Annual Stockholders' Meeting of **ETON PROPERTIES PHILIPPINES, INC.** (the "Company") will be held virtually via Zoom on 29 June 2020, Monday, at 9:00 a.m. for the following purposes:

- I. Call to Order
- II. Proof of Notice
- III. Certification of Quorum
- IV. Approval of Minutes of the Previous Meeting
- V. Chairman's Message
- VI. President's Report
- VII. Ratification of Acts of Directors and Officers During the Preceding Year
- VIII. Election of Directors
- IX. Amendment of the Company's By Laws to Change the Date of the Annual Stockholders' Meeting
- X. Adjournment

In light of the current public health emergency brought about by the COVID-19 pandemic, the Company will conduct its Annual Stockholders' Meeting through remote communication in order to safeguard the health and well-being of its personnel and stakeholders.

The Board of Directors has fixed the close of business on 28 May 2020 as the record date of shareholders in good standing entitled to receive notice of, and to vote in absentia at, the meeting and any adjournment(s) thereof. Stockholders who wish to attend or vote through remote communication should register by sending the required documents by email to eton_asm@pnb.com.ph on or before 19 June 2020. The procedures and further details for registration, participation, and voting through remote communication are set forth in Appendix 1, as well as in the Definitive Information Statement, and published in the Investor Relations Page of the Company's website at www.eton.com.ph. The meeting will be recorded for future reference.

All shareholders are cordially invited to attend the meeting by remote communication. Stockholders who cannot attend the meeting may designate their authorized representative by sending a signed Proxy Form no later than the close of business on 19 June 2020 at the office of the Corporate Secretary, Atty. Erollyne Go, at the 2nd Floor Allied Bank Center, 6754 Ayala Avenue, Makati City or by email at eton_asm@pnb.com.ph. For your convenience, a sample Proxy Form may be downloaded at www.eton.com.ph. Votes will be cast through proxies or ballots. The deadline for the submission of ballots is on 23 June 2020. Validation of proxies and ballots will be on 24 June 2020 at the Office of the Corporate Secretary at the abovementioned address (or, should the same not be available for any reason whatsoever, including quarantine conditions, at such other venue as the Corporate Secretary may in her absolute discretion, determine).

Questions and comments to the Board of Directors and/or Management may be sent by email to asm@eton.com.ph no later than 23 June 2020. Copies of the Notice of Meeting,

Definitive Information Statement, Management Report and Financial Statements may be viewed and downloaded from the Company's website at www.eton.com.ph.

26 May 2020.

ETON PROPERTIES PHILIPPINES, INC.

By:



EROLYNE C. GO

Corporate Secretary

**ETON PROPERTIES PHILIPPINES, INC.
2020 ANNUAL STOCKHOLDERS' MEETING
REQUIREMENTS AND PROCEDURE FOR PARTICIPATION AND VOTING
THROUGH REMOTE COMMUNICATION**

A. Registration for the 2020 Annual Stockholders' Meeting and Casting of Votes through Remote Communication

1. Stockholders of record as of 28 May 2020 who wish to attend the Annual Stockholders' Meeting and vote in absentia should register by sending the requirements set forth below to eton_asm@pnb.com.ph on or before 19 June 2020 ("Registration Period").

2. Stockholders are required to submit the following for validation and verification:

a. For Individual Stockholders

- Scanned copy of the front and back portions of the Stockholder's **valid government-issued photo ID with residential address**. This must be in a digital, JPG format with a file size no larger than 2MB. Valid government-issued photo IDs include the following: Driver's License, Passport, Unified Multi-Purpose ID, Professional Regulation Commission ID, SSS ID, Pag-Ibig ID Senior Citizen ID, Postal ID, Voter's ID and GSIS ID;
- Valid and active e-mail address;
- Valid and active contact number (landline or mobile number);
- Tax Identification Number (TIN).

b. For Stockholders with Joint accounts

- In addition to the above requirements, a scanned copy of the **authorization letter signed by all Stockholders** providing who among them is authorized to cast the vote for the account. The authorization letter must be in a digital, JPG format with a file size no larger than 2MB.

c. For Corporate Stockholders

- Scanned copy of a Secretary's Certificate attesting to the authority of the representative to vote for and on behalf of the Corporation. This must be in a digital, JPG format with a file size no larger than 2MB;
- Scanned copy of the front and back portions of the valid **government-issued photo ID** of the Stockholder's representative with residential address. This must be in a digital, JPG format with a file size no larger than 2MB. Valid government-issued photo IDs include the following: Driver's License, Passport, Unified Multi-Purpose ID, Professional Regulation Commission ID, SSS ID, Pag-Ibig ID, Postal ID, Voter's ID, GSIS ID and Senior Citizen ID;
- Valid and active email address of the Stockholder's representative;
- Valid and active contact number of the Stockholder's representative (landline or mobile number);
- Tax Identification Number (TIN).

d. For Stockholders represented by Proxy or authorized person

- In addition to the above requirements for the Stockholder, the same requirements shall be submitted by the Proxy or authorized representative;
- Scanned copy of the Proxy Form or an authorization letter signed by the Stockholder to cast the vote for the account. This must also be in a digital, JPG format with a file size no larger than 2MB. A sample proxy form may be downloaded at www.eton.com.ph.

e. For Individual Stockholders under Broker accounts

- Scanned copy of the broker's certification signed by the duly authorized signatory/ies on the Stockholder's number of shareholdings. This must also be in a digital, JPG format with a file size no larger than 2MB;
- Scanned copy of the front and back portions of the Stockholder's (or said Stockholders' proxy's) valid **government-issued photo ID with residential address**. This must be in a digital, JPG format with a file size no larger than 2MB. Valid government-issued photo IDs include the following: Driver's License, Passport, Unified Multi-Purpose ID, Professional Regulation Commission ID, SSS ID, Pag-Ibig ID, Senior Citizen ID Postal ID, Voter's ID and GSIS ID;
- Valid and active email address;
- Valid and active contact number (landline or mobile number).

f. For Corporate Stockholders under Broker accounts

- Scanned copy of the broker's certification signed by the duly authorized signatory/ies on the Stockholder's number of shareholdings. This must also be in a digital, JPG format with a file size no larger than 2MB;
- Scanned copy of the certification signed by a duly authorized officer of such corporate beneficial owner attesting to the authority of the representative to vote for and on behalf of the corporate beneficial stockholder (in JPG format)
- Scanned copy of the front and back portions of the valid **government-issued photo ID with residential address of the representative of the corporate Stockholder**. This must be in a digital, JPG format with a file size no larger than 2MB. Valid government-issued photo IDs include the following: Driver's License, Passport, Unified Multi-Purpose ID, Professional Regulation Commission ID, SSS ID, Pag-Ibig ID, Senior Citizen ID Postal ID, Voter's ID and GSIS ID;
- Valid and active email address;
- Valid and active contact number (landline or mobile number).

3. The verification procedure may take up to three (3) days upon submission of the required documents. Stockholders are encouraged to register early within the Registration Period.

4. Upon completion of the verification procedure, the Stockholder will receive an email confirmation which includes the **URL to the Zoom Webinar Registration Link** and the instructions on how to complete the said registration ("Zoom Registration"). The Stockholder must complete his/her/its Zoom Registration no later than 26 June 2020 to be able to access the webinar on the day of the meeting. The Stockholder voting in absentia will receive a Ballot/Voting Form.

5. The Stockholder needs to manually complete the Ballot/Voting Form by printing or by completing it with Adobe Reader (free software with Fill & Sign Tools). The Ballot/Voting Form

contains the agenda items reflected on the Notice of the 2020 Eton ASM which require a vote. Registered Stockholders may vote as follows:

- a. For items other than the election of directors, registered Stockholders have the option to vote “For”, “Against”, or “Abstain”;
 - b. For election of Directors, the system of cumulative voting shall be followed. Each registered Stockholder shall be entitled to such number of votes equal to the number of shares he/she owns, times the number of directors to be elected. Under this voting system, the registered Stockholder has the option to:
 - (i) cast all his/her votes in favor of one (1) nominee; or
 - (ii) distribute those votes among as many nominees as he/she may deem fit;
 - c. Once the registered Stockholder has completed filling up the Ballot/Voting Form, he/she can submit his/her votes by sending a scanned copy or a photograph of the Ballot/Voting Form via email to eton_asm@pnb.com.ph. Upon submission, the registered Stockholder may no longer change his/her votes.
6. The Office of the Corporate Secretary shall tabulate all valid votes in absentia and votes cast by proxy. An independent party will validate the voting results, which will be reported by the Corporate Secretary at the meeting. All votes should be submitted no later than 23 June 2020.

B. Other Information Regarding the 2020 Eton Annual Stockholders’ Meeting

1. Only Stockholders who have completed the registration and verification procedures within the Registration Period shall be considered in determining the existence of a quorum.
2. The Annual Stockholders’ Meeting will be streamed via Zoom. On the date of the Meeting, Stockholders are encouraged to log-in at least one (1) hour before the Meeting so as to allow the Company to address possible technical issues without delaying the Meeting.
3. Votes and queries cannot be submitted through the livestreaming link. Registered Stockholders may instead submit their queries or comments, which shall be limited to the matters set out in the Agenda, by sending an email to asm@eton.com.ph no later than 23 June 2020. For the orderly conduct of the meeting, only queries submitted on or before 23 June 2020 shall be addressed during the Annual Stockholders’ Meeting. Any query not addressed during Annual Stockholders’ Meeting due to time constraints shall be replied to through email.
4. The proceedings will be recorded in video and audio format. The Minutes of the Annual Stockholders’ Meeting will be uploaded to the Eton website.

Should you have questions or requests for clarification on the procedure for the 2020 Annual Stockholders’ Meeting, please email them to eton_asm@pnb.com.ph.

**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 20-IS
Information Statement Pursuant to Section 20
of the Securities Regulation Code**

1. Check the appropriate box:
 Preliminary Information Statement
 Definitive Information Statement

2. Name of Registrant as specified in its charter : **ETON PROPERTIES
PHILIPPINES, INC.**

3. Province, country or other jurisdiction of incorporation or organization : **Metro Manila, Philippines**

4. SEC Identification Number : **43798**

5. BIR Tax Identification Number : **000-438-132-000**

6. Business Address : **8/F Allied Bank Center
6754 Ayala Avenue, Makati City,
Metro Manila, Philippines**

7. Registrant's telephone number, including area code : **(632) 8548-4000**

8. Date of meeting : **29 June 2020**
 Time of meeting : **09:00 a.m.**
 Place of meeting : **Virtual meeting via Zoom application. The streaming link will be provided to registered Stockholders via email.**

9. Approximate date on which the Information Statement is first to be sent or given to security holders : **Information Statement will be published at Eton's website www.eton.com.ph on 07 June 2020**

10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate Registrant):

| Title of Each Class | Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding |
|---------------------|---|
| Common Stock | 5,723,017,872 shares (inclusive of 10,000 treasury shares) |

11. Are any or all Registrant's securities listed in a Stock Exchange?
 Yes No

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:
Not Applicable

INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1. Date, time and place of meeting of stockholders

- (a) Date : 29 June 2020
Time : 09:00 a.m.
Place : The 2020 Eton Stockholders' Meeting will be conducted through remote communication (Zoom). The streaming link will be provided to registered Stockholders via email
Mailing address of the Principal Office of the Company : 8/F Allied Bank Center
6754 Ayala Avenue, Makati City, Metro Manila, Philippines
- (b) This Information Statement and a copy of the Company's Management Report may be accessed by stockholders not later than 08 June 2020.

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY

Item 2. Dissenter's Right of Appraisal

Title X, Section 80 of the Revised Corporation Code of the Philippines grants in favor of a shareholder the right to dissent and demand payment of the fair value of his share in certain instances, to wit: (1) in case an amendment to the articles of incorporation will change or restrict the rights of such stockholder, or authorize preferences in any respect superior to those of outstanding shares of any class, or extend or shorten the term of the Company; (2) in case of the sale, lease, exchange, transfer, mortgage, pledge, or other disposition of all or substantially all of the Company's properties; (3) in case of merger or consolidation; or (4) in case of investment of corporate funds for any purpose other than the primary purpose of the Company.

In addition, Section 41 of the Revised Corporation Code allows a corporation to pay a dissenting or withdrawing stockholder for his shares under the provision of the Code in cases where it was authorized by the Board and shareholders to invest its funds in another corporation or business or for any purpose other than the primary purpose for which it was organized.

None of the proposed corporate actions for the meeting qualifies as an instance for the exercise of the stockholder's appraisal right.

Item 3. Interest of Certain Persons in Matters to be Acted Upon

- (a) None of the incumbent Directors and Officers of the Company, or the nominees for election as Director of the Company, has any substantial

interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon other than election to office.

- (b) The interests of incumbent Directors and nominees to the Board in the matters to be acted upon in the meeting consist solely of security holdings to the extent described in Item 4(d).
- (c) The Company has not received any information from any Director that he/she intends to oppose any matter to be acted upon in the meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

- (a) As of 26 May 2020, the number of shares outstanding and entitled to vote in the stockholders' meeting is **5,723,017,872**.

Each share is entitled to one (1) vote. With respect to the election of directors, however, the stockholder may vote such number of shares for as many persons as there are directors to be elected, or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected, or he may distribute them on the same principle among as many candidates as he shall see fit; provided the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the number of directors to be elected.

- (b) All stockholders of record as of the close of business on 28 May 2020 are entitled to notice of, and to vote in absentia at, the Annual Stockholders' Meeting.
- (c) Security Ownership of certain record and beneficial owners (more than 5% of voting securities) as of 26 May 2020:

| Title of Class | Name, address of record owner and relationship with issuer | Name of Beneficial Owner and relationship with Record Owner | Citizenship | No. of Shares Held | Percent |
|-----------------------|--|--|--------------------|---------------------------|----------------|
| Common | Paramount Landequities, Inc. <ul style="list-style-type: none"> • 23 E. Rodriguez Avenue, Quezon City • Major Stockholder | LT Group, Inc. (Parent of Paramount Landequities, Inc.) | Filipino | 3,255,355,524* | 56.88% |
| Common | Saturn Holdings, Inc. <ul style="list-style-type: none"> • SMI Compound, C. Raymundo Avenue, | LT Group, Inc. (Parent of Saturn Holdings, Inc.) | Filipino | 2,446,009,079 | 42.73% |

| | | | | | |
|--|---|--|--|--|--|
| | Maybunga, Pasig City • Major Stockholder | | | | |
|--|---|--|--|--|--|

*Inclusive of 52,144,998 scripless shares

The right to vote or direct the voting or disposition of the Company's shares held by Saturn Holdings, Inc. and Paramount Landequities, Inc. is lodged in LT Group, Inc. These companies are expected to issue their respective proxies in favor of Ms. Juanita Tan Lee and/or Mr. Lucio C. Tan.

(d) Security Ownership of Management as of 26 May 2020

| Title of Class | Name of Beneficial Owner | Amount and Nature of Beneficial Ownership | Citizenship | Percentage Held |
|----------------|--------------------------|---|-------------|-----------------|
| Common | Lucio C. Tan | 2,000 (R)* | Filipino | 0.000% |
| Common | Harry C. Tan | 2,000 (R)** | Filipino | 0.000% |
| Common | Juanita T. Tan Lee | 5,000 (R)*** | Filipino | 0.000% |
| Common | Vivienne K. Tan | 100 (R)**** | Filipino | 0.000% |
| Common | Wilfrido E. Sanchez | 2,000 (R)**** | Filipino | 0.000% |
| Common | Michael G. Tan | 12,000 (R) | Filipino | 0.000% |
| Common | Karlu T. Say | 250 (R) | Filipino | 0.000% |
| Common | Ramon S. Pascual | 250 (R) | Filipino | 0.000% |
| Common | Johnip G. Cua | 100 (R)**** | Filipino | 0.000% |
| Common | Cirilo P. Noel | 100 (R) | Filipino | 0.000% |

*Mr. Lucio C. Tan is the ultimate beneficial owner of Paramount Landequities, Inc. and Saturn Holdings, Inc. which owns 99.61% of the Company.

**Mr. Harry C. Tan owns 3,300 shares of LTGI which owns Paramount Landequities, Inc. and Saturn Holdings, Inc., the controlling stockholders of the Company equivalent to minimal indirect ownership in the Company.

***Ms. Juanita T. Tan Lee owns 1,100 shares of LTGI equivalent to minimal indirect ownership in the Company.

****Ms. Vivienne K. Tan, Mr. Wilfrido E. Sanchez, and Mr. Johnip G. Cua each own 1,000 shares of LTGI equivalent to minimal indirect ownership in the Company.

Except as stated above, none of the members of Management has disclosed any other shares beneficially/indirectly owned.

(e) Foreign Ownership as of 26 May 2020

| Nationality | Title of Class | Amount and Nature of Ownership | Percentage Held |
|-------------|----------------|--------------------------------|-----------------|
| Filipino | Common | 5,722,726,297* | 99.994% |
| Foreign | Common | 291,575 | 0.005% |

*inclusive of 10,000 treasury shares

(f) Voting Trust Holders of 5% or more

No person on record holds 5% or more of the common shares under a voting trust agreement.

(g) Change in Control

No arrangements exist which may result in a change in control of the Company. There has been no change in control of the Company since the beginning of its last fiscal year.

Item 5. Directors & Executive Officers

Hereunder is the list of Directors and Executive Officers of the Company. All the directors named hereunder were elected to office at the Annual Stockholders' Meeting held on 12 April 2019 to hold office until the next succeeding annual meeting and until their respective successors have been elected and shall have qualified.

On 11 November 2019, Mr. Lucio K. Tan, Jr., President, Director and Chief Executive Officer of the Company, passed away. The resulting vacancy in the Board remained unfilled to date.

| Name | Age | Citizenship | Position/Term of Office/Period Served | Business Experience/ Other Directorships for the Last Five Years |
|--------------|------------|--------------------|---|---|
| Lucio C. Tan | 85 | Filipino | Chairman/ 1 year/ 21 February 2007 to present | Chairman of Philippine Airlines, Inc., Asia Brewery Inc., LT Group, Inc., MacroAsia Corp., Fortune Tobacco Corp., PMFTC, Inc., Grandspan Development Corp., Himmel Industries Inc., Lucky Travel., PAL Holdings, Inc., Air Philippines Corporation, Tanduy Distillers, Inc., The Charter House, Inc., AlliedBankers Insurance Corp., Absolut Distillers, Inc., Progressive Farms, Inc., Foremost Farms, Inc., Maranaw Hotels & Resort Corporation, Eton City, Inc., Belton Communities, Inc. FirstHomes, Inc., Allianz PNB Life Insurance, Inc., and Basic Holdings Corp., Director of Philippine National Bank |
| Harry C. Tan | 73 | Filipino | Director 1 year/ 21 February 2007 to present | Director of LT Group, Inc., Eton City, Inc., Belton Communities, Inc., FirstHomes, Inc., PAN Asia Securities, Inc., Lucky Travel Corp., The Charter House, Inc., Fortune Tobacco Corp., Landcom Realty Corp., Asia Brewery Inc., AlliedBankers Insurance, Corp., |

| | | | | |
|--------------------|----|----------|--|---|
| | | | | Absolut Distillers, Inc., Basic Holdings Corp., Foremost Farms, Inc., Himmel Industries, Inc., PMFTC, Inc., Progressive Farms, Inc., Grandspan Development Corp., and Tanduay Distillers, Inc. Director/President of Maranaw Hotels & Resort Corporation; Board Advisor of Philippine National Bank |
| Michael G. Tan | 54 | Filipino | Director/ 1 year / 27 February 2007 to present | Director/President of LT Group, Inc., Director/Chief Operating Officer of Asia Brewery, Inc. Director of Philippine National Bank, PMFTC Inc., Tanduay Distillers, Inc., Victorias Milling Co., Eton City, Inc., PAL Holdings, Inc. (PAL), Philippine Airlines, Inc., Air Philippines Corp., Tangent Holdings Corp., Abacus Distribution Systems Philippines, Inc., AlliedBankers Insurance Corp., Maranaw Hotels & Resort Corporation (Century Park Hotel) and Pan Asia Securities, Inc. |
| Juanita T. Tan Lee | 77 | Filipino | Director / 1 year/ 21 February 2007 to present | Director/Treasurer of LT Group, Inc.; Director of Maranaw Hotels & Resort Corp., Asia Brewery, Inc., and Tanduay Distillers, Inc.; Director/Corporate Secretary of, Fortune Tobacco Corp.; Corporate Secretary of Absolut Distillers, Inc., The Charter House, Inc., Foremost Farms, Inc., Grandspan Development Corp., Himmel Industries, Inc., Landcom Realty Corp., Lucky Travel Corp., PMFTC, Inc., Progressive Farms, Inc.; Assistant Corporate Secretary of Basic Holdings Corp.; Treasurer of Mabuhay Digital Philippines, Inc. and Mabuhay Digital Technologies, Inc. |
| Ramon S. Pascual | 60 | Filipino | Director 1 year/ 31 May 2013 to present; appointed as President and Chief Executive Officer on 19 November 2019 to present | Executive Director of Dynamic Holdings Limited; Director and President of Eton City, Inc., Belton Communities, Inc., FirstHomes, Inc.; Director of Beijing Longfast |
| Vivienne K. Tan | 51 | Filipino | Director/ 1 year/ 4 May 2018 to present | Director of Philippine National Bank and LT Group, Inc.; Board of Trustee of University of the East and University of the East Ramon |

| | | | | |
|---------------------|----|----------|---|---|
| | | | | Magsaysay Memorial Medical Center; Executive Vice President of Philippine Airlines; Founding Chairperson of Entrepreneurs School of Asia; Founding Trustee of Philippine Center for Entrepreneurship (Go Negosyo), Phils. |
| Cirilo P. Noel | 64 | Filipino | Director/ 1 year/ 12 April 2019 to present | Chairman of Palm Concepcion Power Corporation; Independent Director of Globe Telecom, Inc., St. Luke's Medical Center, and San Miguel Foods and Beverage, Inc.; Director of Amber Kinetics Holdings Co., PTE Ltd., LH Paragon Inc., Cal Comp Technology (Philippines) Inc., St. Luke's Medical Center College of Medicine, JG Summit Holdings, Inc., Security Bank Corporation, St. Luke's Foundation, and Transnational Diversified Group. |
| Wilfrido E. Sanchez | 82 | Filipino | Independent Director/ 1 year/ 27 February 2007 to present | Tax Counsel of Quiason Makalintal Barot Torres Ibarra & Sison Law Offices; Board of Trustees of Asian Institute of Management (AIM); Director of Amon Trading Corp., EEI Corporation, House of Investments, Inc., JVR Foundation, Inc., Kawasaki Motor Corp., Inc., Magellan Capital Holdings, Corp., Transnational Diversified Corp., Transnational Financial Services, Inc., Universal Robina Corp., LT Group, Inc., Asia Brewery, Inc., Tanduay Distillers, Inc., Emcor, Inc., J-Del Investment and Management Corporation, Center for Leadership & Change, Inc., K Servico, Inc., Adventure International Tours, Inc., Gokongwei Brothers Foundation, Petnet, Inc., and Transnational Plans, Inc. |
| Johnip G. Cua | 63 | Filipino | Independent Director/ 1 year/ 30 May 2014 to present | Chairman of the Board of Trustees of Xavier School, Inc., P&Gers Fund Inc.; Chairman & President of Taibrews Corporation; Independent Director of ALI-Eton Property Development Corporation, BDO Private Bank, Philippine Airlines, Inc., PAL Holdings, Inc., MacroAsia Corporation, MacroAsia Catering Services, Inc., MacroAsia Airport Services Corporation, MacroAsia |

| | | | | |
|-----------------|----|----------|---|---|
| | | | | Properties Development Corp., PhilPlans First Inc., LT Group, Inc, Asia Brewery, Inc. and Tanduay Distillers, Inc., and Century Pacific Food, Inc.; Director of Alpha Alleanza Manufacturing, Inc., Allied Botanical Corporation, Interbake Marketing, Inc., Lartizan Corporation, Teambake Marketing, Inc., and Bakerson Corporation; Member of the Board of Trustees of Xavier School Educational & Trust Fund, and MGCC Foundation |
| Karlu T. Say | 50 | Filipino | Director/OIC-HR Head/1 year/ 9 October 2017 to present; appointed as Chief Operating Officer on 19 November 2019 to present | Founder and Director of Dong-A Pharma Phils., Inc.; |
| Erolyne C. Go | 39 | Filipino | Corporate Secretary/ 1 year/ 31 May 2013 to present | Legal Counsel of Basic Holdings, Corp.; Corporate Secretary of Maranaw Hotels & Resort Corporation, Eton City, Inc., Belton Communities, Inc., and FirstHomes, Inc.; Former Corporate Secretary of PNB Life Insurance, Inc. |
| Cathleen O. Lao | 44 | Filipino | Asst. Corporate Secretary/ 1year/ 31 May 2013 to present | Legal Counsel of Basic Holdings, Corp.; Former Legal Counsel of Philippine National Bank (formerly Allied Banking Corp.); Former Associate Lawyer of Mendoza Lacson and Mison Law Offices |

(*Note: Unless otherwise indicated or qualified, the term "director" refers to a regular director of the company.)

Messrs. Wilfrido E. Sanchez and Johnip G. Cua are the Company's incumbent independent directors. They were nominated as independent directors for the ensuing year and their nomination was approved by the Nomination and Remuneration Committee (Committee). They were nominated by Mr. Harry C. Tan and Mr. Michael G. Tan, respectively; both are stockholders of the Company. Neither Mr. Harry Tan nor Mr. Michael G. Tan are related to any of the Independent Directors.

Pursuant to Article III, Section 6 of the Company's By-laws, in relation to SRC Rule 38, recommendations for nomination of independent directors were signed by the members of the Committee and duly accepted by the nominees. After determining the qualifications of the nominees, the Committee prepared a final list of candidates containing relevant and material information about them. The Committee determined that the nominees for independent director possess all of the qualifications and none of the disqualifications of an independent director provided for in the Company's By-laws, the Code of Corporate Governance and the adopted Revised Manual of Corporate Governance of the Company.

In its meeting held on 12 February 2020, the Nomination and Remuneration Committee approved the following nominees for election to the Board of Directors in the forthcoming Annual Shareholders' Meeting:

1. Lucio C. Tan
2. Cirilo P. Noel
3. Ramon S. Pascual
4. Karlu T. Say
5. Michael G. Tan
6. Vivienne K. Tan
7. Juanita T. Tan Lee
8. Johnip G. Cua - independent director
9. Wilfrido E. Sanchez – independent director
10. Mary Ng – independent director
11. Florencia G. Tarriela - independent director

With the exception of Ms. Mary Ng and Ms. Florencia G. Tarriela who were nominated by Ms. Karlu Say and Dr. Lucio Tan, respectively, the foregoing nominees to the Board of Directors are also current directors of the Company. The business experience/directorship of said nominees for the last five years are listed in pages 10 to 15 hereof.

Ms. Mary Ng is the Chief Executive Officer of H&E Group of Companies and an Honorary President of the Packaging Institute of the Philippines, the Philippine Plastic Industrial Association of the Philippines, and the Association of Volunteer Fire Chiefs and Firefighters of the Philippines. She is the first woman Chairman of the ASEAN Federation of Plastic Industries (AFPI), Executive Vice President of Federation of Filipino-Chinese Chamber of Commerce and Industries, a Tripartite Board member of the Department of Labor and Employment, a Board member of Technical Educational and Skills Development Authority (TESDA), Vice President of the Philippine Piak O Eng Chamber of Commerce and Philippine Piak O Eng Uy's Association, Director of Philippine Dongshi Townmate Association, Inc. and Independent Director of LT Group, Inc.

Ms. Florencia Tarriela is the Chairman and Independent Director of Philippine National Bank, PNB Capital and Investment Corporation, PNB-IBJL Leasing and Finance Corporation, and PNB-IBJL Equipment Rentals Corporation, Independent Director of PNB International Investments Corporation and LT Group, Inc., Director of Bankers Association of the Philippines, Director/Vice President of Tarriela Management Company, Director/Vice President/Assistant Treasurer of Gozon Development Corporation, Director and Life Sustaining Member of Bankers Institute of the Philippines (BAIPHIL) and Trustee and Life Member of Financial Executives of the Philippines (FINEX). She is likewise a Trustee of Foundation for Filipino Entrepreneurship, Inc. (FFEI), Tulay sa Pag-unlad, Inc. (TSPI) MBA, and TSPI Development Corporation. Ms. Tarriela was a former Undersecretary of Finance, and used to be an alternate Board Member of the following: Monetary Board of Bangko Sentral ng Pilipinas, Land Bank of the Philippines, and the Philippine Deposit Insurance Corporation (PDIC). She was likewise a Managing Partner and the first Filipina Vice President of Citibank N.A., Philippines. Currently, she is a columnist for "Business Options" of the Manila Bulletin and "FINEX Folio" of BusinessWorld.

Mr. Sanchez has been the Company's independent director since February 2007 while Mr. Cua has served as such since May 2014.

In its meeting last 12 February 2020, the Nomination and Remuneration Committee approved the re-nomination of Messrs. Sanchez and Cua for independent directors.

All the nominees for independent directors were advised of the Notice of the Commission dated 20 October 2006 regarding the submission of a Certificate of Qualification by independent directors. All nominees also attended the seminar on Corporate Governance. The nominees for independent directors were likewise informed of SEC Memorandum No. 4 series of 2017, regarding the term limits for independent directors. None of the independent directors have served beyond the maximum cumulative term of nine years.

The Nomination and Remuneration Committee is composed of Dr. Lucio C. Tan as Chairman with Messrs. Ramon S. Pascual, Michael G. Tan, Johnip G. Cua, and Atty. Wilfrido E. Sanchez as members thereof. Before his passing, Messr. Lucio K. Tan, Jr. (+) was also a member of the Committee.

(a) Significant Employees

The Company values all its employees but is not unduly dependent upon any single employee to make a significant contribution to the business.

(b) Family Relationships

Mr. Lucio C. Tan and Mr. Harry C. Tan are brothers. In addition, Mr. Lucio C. Tan is the father of Mr. Lucio K. Tan, Jr.(+), Ms. Karlu T. Say, Ms. Vivienne K. Tan, and Mr. Michael G. Tan. Further, Mr. Lucio C. Tan is the father-in-law of Mr. Ramon S. Pascual.

(c) Involvement in Certain Legal Proceedings (as of 26 May 2020)

For a period covering the past five (5) years, none of the directors or any of the executive officers of the Company has been:

- 1) Involved in any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- 2) Convicted by final judgment in a criminal proceeding, domestic or foreign, or is being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- 3) Subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and
- 4) Found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self

regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

Item 6. Certain Relationships and Related Transactions

(a) The Company, in its regular conduct of business, is involved in transactions with the following companies, which are related parties for the purchase and development of properties, loans, lease contracts, management contracts, marketing contracts and for financing or advances. Though substantial in amount, the same are still within normal trade practice.

1. Business purpose of the arrangements:

The Company engages related parties for various transactions in order to avoid the risk of unfair pricing and to promote stronger ties, which is based on trust and confidence.

2. Identification of the related parties, nature of relationship to the Company and nature of the transaction with the related party during the last two (2) years:

| Related Party | Relationship to the Company | Nature of the transaction |
|---------------------------------------|------------------------------------|--|
| 1.) Philippine National Bank | Affiliate | Cash deposits and placements, joint venture, marketing agreement, lease of office space, purchase of land and long-term loan |
| 2.) Grandspan Development Corporation | Affiliate | Supply of materials |
| 3.) Basic Holdings Corporation | Affiliate | General management company |
| 4.) Asia Brewery Inc. | Affiliate | Purchase of land |
| 5.) Dunmore Development Corporation | Affiliate | Purchase of land |
| 6.) Profound Holdings Inc. | Affiliate | Purchase of land |
| 7.) Total Holdings Corp. | Affiliate | Purchase of land |
| 8.) Paramount Landequities, Inc. | Affiliate | Purchase of land |

3. Transaction prices are based on terms that are no less favorable than those arranged with third parties and based on industry standards and practices.

4. No other transaction apart from those listed above was undertaken by the Company in which any of its Directors and Executive Officers was involved in or had any direct or indirect material interest in without proper disclosures.

5. All employees of the Company are required to disclose any business and family-related transactions with the Company.
- (b) There are no parties that fall outside the definition of “related parties” with whom the Company has a relationship that enables them to negotiate terms of material transactions that may not be available to other independent parties on any arm’s length basis.
- (c) As of 31 December 2012, the Company became a subsidiary of LT Group, Inc. through Paramount Landequities, Inc.
- (d) The Company has no transactions with promoters.

Item 7. Compensation of Directors and Executive Officers

The following compensation was paid to Officers and Directors of the Company as a group for the year ended 31 December 2019. For 2020, the Directors and Executive Officers are expected to receive the same as the previous year:

SUMMARY COMPENSATION TABLE
Annual Compensation

| Name of Officers/Position | Year | Salary | Bonus | Others* |
|---|--------------------|------------|-----------|---------|
| Five (5) most highly compensated Executive Officers: 1. Ramon S. Pascual – President 2. Carlos B. Carlos – VP Technical Services 3. Marie Noellie T. Dela Rosa – AVP Leasing 4. Gerardo I. Mauricio – VP for IT & SAP 5. Michael Leslie D. Delos Reyes – SAVP Legal | 2020 (estimate) | 14,289,408 | 1,190,784 | |
| Five (5) most highly compensated Executive Officers: 1. Lucio K. Tan, Jr. (President) 2. Carlos B. Carlos (VP Technical Services) 3. Michael Leslie D. Delos Reyes (SAVP Legal) 4. Gerardo I. Mauricio (VP for IT & SAP) 5. Marie Noellie T. Dela Rosa (AVP-Leasing) | 2019 | 14,031,030 | 1,148,784 | - |
| Five (5) most highly compensated Executive Officers: | 2018 | 13,660,679 | 1,171,742 | - |

| | | | | |
|--|--------------------|------------|---------|-----------|
| 1. Lucio K. Tan Jr. (President) | | | | |
| 2. Carlos B. Carlos (VP Technical Services) | | | | |
| 3. Lennie S. Magnaye (VP Controller) | | | | |
| 4. Michael Leslie D. Delos Reyes – SAVP Legal | | | | |
| 5. Gerardo I. Mauricio (VP for IT & SAP) | | | | |
| All other Officers and Directors as a group unnamed | 2020 (estimate) | 10,371,000 | 940,162 | 1,800,000 |
| | 2019 | 11,769,692 | 940,162 | 1,527,000 |
| | 2018 | 11,066,056 | 970,973 | 1,869,000 |

**Others – includes per diem of Directors*

Standard Arrangements – The Directors of the Company receive a per diem of at least ₱15,000.00 monthly and an additional per diem of ₱15,000.00 for every meeting attended. Members of the Executive Committee, Nomination Committee and Audit Committee receive an additional per diem of ₱5,000.00 and ₱3,000.00, respectively, for every meeting actually attended. Other than the stated per diem of the Directors, there are no other standard arrangements for which the Directors of the Company are compensated, or are to be compensated, directly or indirectly, for any services provided as a Director, including any additional amounts payable for Committee participation or special assignments, for the last completed fiscal year and the ensuing year. The Directors did not participate in the determination of their own per diems or compensation.

The total yearly compensation of directors does not exceed ten (10%) percent of the net income before income tax of the Company during the preceding year.

- (a) Other Arrangements – None
- (b) Employment contract or compensatory plan or arrangement – None

Item 8. Independent Public Accountants

The authority to appoint, remove and/or replace the external auditor was delegated by the stockholders to the Board of Directors during the annual stockholders' meeting held on 19 April 2007.

At present, the Company's external auditor is the auditing firm of SyCip Gorres Velayo & Co. ("SGV"). The audit partner-in-charge, Mr. Martin C. Guantes, was appointed in 2016. Subject to endorsement from the Audit Committee, the Board is considering SGV for re-appointment for the ensuing year.

SRC Rule 68 (3)(B)(ix) requires the rotation of the external auditor every five (5) years. For 2020, there is no need to replace or rotate the external auditor, SGV.

Representatives of SGV are expected to be present at the meeting and will have the opportunity to respond to appropriate questions and to make a statement if they so desire.

Item 9. Financial and Other Information

The Company has incorporated by reference the following as contained in the Management Report:

- (a) Audited Financial Statements as of 31 December 2019;
- (b) 1st Quarter Report of the year 2020;
- (c) Management Discussion and Analysis or Plan of Operation; and
- (d) Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

C. OTHER MATTERS

Item 10. Action with Respect to Reports

Reading and Approval of the Minutes of the 2019 Annual Stockholders' Meeting

The Minutes of the previous meeting of the shareholders held on 12 April 2019 will be presented for approval at the Annual Shareholders' Meeting. All stockholders, including minority stockholders, are entitled to one (1) vote for each share of stock standing in his name in the books of the Company. The following were the significant matters discussed at the said meeting:

- (i) The Minutes of the Shareholders' Meeting held on 4 May 2018 was approved;
- (ii) The Management Report and the Company's Financial Statements for the year ended 31 December 2018 were approved;
- (iii) The President's Report for the year 2018 was discussed; and
- (iv) All the acts and resolutions of the Board of Directors and Management for the year 2018 were confirmed and ratified;
- (v) The members of the Board of Directors for 2019-2020 were elected.

In compliance with Section 49 of the Revised Corporation Code, the Minutes of the 2019 Annual Stockholders' Meeting prepared by the Corporate Secretary includes the following information:

- a) All the matters discussed and the resolutions approved by the

stockholders;

- b) A record of the voting results for each agenda item requiring a vote; and
- c) A list of the attendees of the meeting, including the directors and officers.

As reflected in the Minutes, the shareholders were given the opportunity to ask questions and clarify the above matters after the same were presented for their approval. Queries asked by the shareholders, if any, are recorded in the Minutes. The significant matters listed above were approved by the stockholders following the voting procedures explained in Item 13.

Lastly, the Minutes of said meeting was posted by the Company in its website in accordance with Recommendation 13.3, SEC Memorandum Circular No. 24, series of 2019, Code of Corporate Governance for Public Companies and Registered Issuers.

Presentation of the Appraisal and Performance Reports for the Board

The Corporate Governance Committee is in charge of evaluating the level of compliance of the Board of Directors with its Manual on Corporate Governance as attested in the Certificate of Compliance that was submitted to the SEC. The Company actively assesses its performance and adherence to the guidelines in accordance with the required compliance reports of the Commission. The Appraisal and Performance Reports for the Board for the term 2019-2020 will be presented during the President's Report.

Director Disclosures on Self-dealings and Related Party Transactions

No transaction was undertaken by the Company in which any of its Directors was involved in or had any direct or indirect material interest in.

Item 11. Matters Not Required to be Submitted

The following matters are not required to be submitted to the stockholders but are nevertheless presented for good corporate practice:

- (a) *Approval of the Chairman's Report on the Results of Operations and Management Reports for the year 2019.*

The President and/or the Chief Operating Officer shall report on the significant business transactions undertaken by the Company and the financial targets and achievements for the fiscal year 2019. The information in the audited financial statements of the Company for the period ending 31 December 2019 is reflected in the accompanying Management Report to shareholders.

- (b) *Ratification of Acts, Resolutions and Transactions entered into by the Board of Directors and Management of the Company from the date of the last annual stockholders' meeting as reflected in the minutes -*

The major resolutions approved by the Board in the preceding year are as follows:

| Date/ Type of Meeting | Subject Matter Disclosed |
|---|--|
| 12 April 2019 Organizational Board of Directors' Meeting | 1. Election of Officers 2. Creation of sub-committees and appointment of the members of the Board Committees; and 3. Appointment of external auditor |
| 19 November 2019/Special Board of Directors' Meeting | 1. Appointment of Mr. Ramon Pascual as President and Chief Executive Officer 2. Appointment of Mrs. Karlu T. Say as Chief Operating Officer |
| 4 December 2019/ Special Board of Directors' meeting | 1. Additional investment of 15 million shares in Eton Properties Management Corporation |
| 13 January 2020/ Board of Directors' Meeting | 1. Calling of the 2020 Annual Stockholders' Meeting |
| 23 March 2020/ Board of Directors' Meeting | 1. Postponement of the Annual Stockholders' Meeting to 11 June 2020 |
| 27 April 2020/ Board of Directors' Meeting | 1. Further Postponement of the Annual Stockholders' Meeting to 29 June 2020 2. Authorized the use of remote communication and voting in absentia in the conduct of the Annual Stockholders' Meeting |

Copies of the Minutes of the meetings of the Board of Directors held from the date of the last Annual Shareholders' Meeting on 12 April 2019 until the present meeting will be made available for inspection to any shareholder desiring to review the same at the Office of the Corporate Secretary during business hours.

Item 12. Amendment of Charter, By-Laws or Other Documents

In its meeting held on 17 February 2020, the Board approved the amendment of Article II Section 1 of the Company's By-Laws to change the date of the Annual Stockholders' Meeting. The proposed amendment is to hold the Annual Stockholders' Meeting on the last Thursday of April of each year. The said amendment was proposed to ensure that the Company has sufficient time to comply with the reportorial requirements prior to the Annual Stockholders' Meeting.

Item 13. Voting Procedures

1. Every shareholder entitled to vote shall have the right to vote the number of shares registered in his name on record as of the close of business hours on 28 May 2020. Only duly signed proxies submitted on or before 19 June 2020 and ballots/voting forms submitted on or before 23 June 2020 shall be honored for purposes of voting. Cumulative voting may be used in the election of the members of the Board of Directors.

The requirements and procedures for voting through remote communication are stated in pages.

2. The affirmative vote of the shareholders representing a majority of those registered stockholders is required for (a) the ratification of the reports, (b) the confirmation/ratification of the acts and resolutions of the Board of Directors and Management, (c) any amendment of the By Laws, and (d) the approval of the minutes of the 12 April 2019 shareholders' meeting.
3. For the election of directors, the eleven (11) nominees garnering the highest number of votes shall be elected directors. The stockholder may vote such number of shares for as many persons as there are directors to be elected, or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected, or he may distribute them on the same principle among as many candidates as he shall see fit; provided the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the number of directors to be elected.
4. Counting of the votes shall be under the supervision of the Corporate Secretary or her duly authorized representative.

Item 14. Incorporation by Reference


The Company has incorporated by reference the audited financial statements for the period ending 31 December 2019 and the quarterly report ended 31 March 2020 contained in its 2020 Management Report prepared in accordance with Rule 68 of the Securities Regulation Code.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in Quezon City on 26 May 2020.

ETON PROPERTIES PHILIPPINES, INC.

By:



EROLYNE C. GO

Corporate Secretary