

# COVER SHEET

**A S O 9 1 - 1 9 0 7 3 1**  
SEC Registration Number

**T A G A Y T A Y H I G H L A N D S**  
**I N T E R N A T I O N A L G O L F C L U B , I N C .**

(Company's Full Name)

**T A G A Y T A Y H I G H L A N D S C O M P L E X**  
**B R G Y . C A L A B U S O , T A G A Y T A Y C I T Y**  
**C A V I T E**

(Business Address: No. Street City / Town / Province)

**ANNA FRANCESCA C. RESPICIO**

**632-0905**

Company Telephone Number

**1 2**      **3 1**  
Month      Day  
Fiscal Year

**0 8**      **0 3**  
Month      Day  
Annual Meeting

**DEFINITIVE 20-IS**

Form Type

Secondary License Type, if applicable

Department Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be Accomplished by SEC Personnel Concerned

File Number

\_\_\_\_\_  
LCU

Document I.D.

\_\_\_\_\_  
Cashier

**STAMPS**

Remarks = pls. use black ink for scanning purposes



## NOTICE OF ANNUAL STOCKHOLDERS' MEETING

TO: ALL STOCKHOLDERS

NOTICE is hereby given that the annual meeting of the stockholders of **Tagaytay Highlands International Golf Club, Inc.** (the "Corporation") will be held on **11 December 2020**, Friday at 10:00 A.M. In light of the COVID-19 global pandemic resulting in the government's imposition of regulations limiting mass gatherings, the meeting will be conducted virtually, in accordance with the SEC rules, to consider the following:

### AGENDA

1. Call to Order
2. Proof of Notice of Meeting
3. Certification of Quorum
4. Approval of the Minutes of the Previous Meeting of Stockholders
5. Approval of 2019 Operations and Results
6. Ratification of all Acts of the Board of Directors and Officers
7. Election of Directors
8. Appointment of External Auditors
9. Other Matters
10. Adjournment

The Board of Directors has fixed the close of business on **04 November 2020, Wednesday** as the record date for the determination of stockholders entitled to the notice of, participation via remote communication, and voting in absentia at such meeting, and any adjournment thereof.

Stockholders may attend the meeting and/or cast their vote in absentia by registering online at [www.tagaytayhighlands.com/asm-registration](http://www.tagaytayhighlands.com/asm-registration) from 24 November 2020, Tuesday until 03 December 2020, Thursday, at 5:30 P.M. Upon verification of their registration credentials, an e-mail from the Corporation will be sent containing instructions on how the registered online participants may access and watch the livestream of the annual stockholders' meeting and/or cast their votes on matters to be taken up during the meeting using the Corporation's e-voting platform to be set up for the purpose. The e-voting platform will be accessible until 9:00 A.M. of 11 December 2020, Friday. Participants may send in questions or remarks via the livestream portal.

Stockholders may also send their duly accomplished proxies to the Office of the Corporate Secretary at 2704 East Tower, Philippine Stock Exchange Centre, Ortigas Center, Pasig City or via electronic copy by sending an e-mail [membership.th@tagaytayhighlands.com](mailto:membership.th@tagaytayhighlands.com) on or before 5:30 P.M. on 08 December 2020, Tuesday. For corporate stockholders, the proxies should be accompanied by a Secretary's Certification on the appointment of the corporation's authorized signatory.

Validation of proxies is set on 09 December 2020, Wednesday, at 5:30 P.M. The votes already cast using the e-voting platform by that time will also be tallied on said date.

City of Pasig, Metro Manila, 18 November 2020.

  
**ANNA FRANCESCA C. RESPICIO**  
Assistant Corporate Secretary

Tagaytay City, Cavite, Philippines • Tel.: (046) 483-0888 • Fax: (046) 483-0830  
[www.TagaytayHighlands.com](http://www.TagaytayHighlands.com)

## **RATIONALE FOR AGENDA ITEMS**

### **Agenda Item No. 4. Approval of the Minutes of the Previous Meeting of Stockholders held last 03 August 2019**

Copies of the Minutes of the 2019 Annual Stockholders' Meeting held on 03 August 2019 will be made available in the Corporation's website: [www.tagaytayhighlands.com](http://www.tagaytayhighlands.com), and can be viewed at any time. Stockholders will be asked to approve the Minutes of the 2019 Annual Stockholders' Meeting as recommended by the Board of Directors.

### **Agenda Item No. 5. Presentation of 2019 Operations and Results**

A report on the highlights of the performance of the Corporation for the year ended 2019, together with a summary of the 2019 Audited Financial Statements (AFS), will be presented to the Stockholders. The AFS has been reviewed by the Audit Committee and the Board of Directors, and have been audited by the external auditors who declared an unqualified opinion on the same. Stockholders will be given an opportunity to raise questions regarding the operations and report of the Corporation. The stockholders will be requested to approve the President's Report together with the AFS.

### **Agenda Item No. 6. Ratification of all Acts of the Board of Directors and Management from the date of the last Annual Stockholders' Meeting to the date of this meeting.**

All actions, proceedings, and contracts entered into, as well as resolutions made and adopted by the Board of Directors, the different committees, and of Management from the date of the Stockholders Meeting held on 03 August 2019 up to the stockholders' meeting shall be presented for confirmation, approval, and ratification.

### **Agenda Item No. 7. Election of Directors for 2020 to 2021**

The candidates named in this Information Statement have been nominated for election to the Corporation's Board of Directors. Their proven expertise and qualifications based on current regulatory standards and the Corporation's own norms, will help sustain the Corporation's solid performance that will result to its stockholders' benefit. The profiles of the Directors are further detailed in the Corporation's Information Statement. If elected, they shall serve as such for one (1) year from 11 December 2020 or until their successors shall have been duly elected and qualified.

### **Agenda Item No. 8. Appointment of External Auditors**

The Audit Committee has pre-screened and recommended, and the Board has endorsed for consideration of the stockholders, the re-appointment of SyCip Gorres Velayo & Co ("SGV & Co.") as the Corporation's External Auditor for 2020. SGV & Co. is one of the leading auditing firms in the country and is duly accredited by the Securities and Exchange Commission. The Stockholders will also be requested to delegate to the Board the authority to approve the appropriate audit fee for 2020.

## PROXY FORM

The undersigned stockholder of Tagaytay Highlands International Golf Club, Inc. (the "Corporation") hereby appoints or in his absence, the Chairman of the meeting, as attorney and proxy, with power of substitution, to represent and vote all shares registered in his/her/its name as proxy of the undersigned stockholder, at the Annual Meeting of Stockholders of the Corporation on 11 December 2020 and at any of the adjournments thereof for the purpose of acting on the following matters:

1. Election of Directors.

\_\_\_\_ 1.1. Vote for all nominees listed below:

- 1.1.1. Hans T. Sy
- 1.1.2. Willy N. Ocier
- 1.1.3. Jerry C. Tiu
- 1.1.4. Manuel A. Gana
- 1.1.5. A. Bayani K. Tan
- 1.1.6. Frederic C. DyBuncio
- 1.1.7. Armin B. Raquel-Santos
- 1.1.8. Henry T. Sy, Jr.
- 1.1.9. Gabriel R. Singson, Jr.
- 1.1.10. Joseph T. Chua (Independent Director)
- 1.1.11. Ruben C. Tan (Independent Director)

\_\_\_\_ 1.2. Withhold authority for all nominees listed above

\_\_\_\_ 1.3 Withhold authority to vote for the nominees listed below:

\_\_\_\_\_

2. Approval of minutes of previous Annual Stockholders' Meeting.

\_\_\_Yes\_\_\_No\_\_\_Abstain

3. Approval of the President's 2019 Annual Report with the Audited Financial Statements.

\_\_\_Yes\_\_\_No\_\_\_Abstain

4. Ratification of all acts and resolutions of the Board of Directors and Management from date of last Stockholders' Meeting to 11 December 2020.

\_\_\_Yes\_\_\_No\_\_\_Abstain

5. Appointment of SyCip Gorres Velayo & Co. as external auditor.

\_\_\_Yes\_\_\_No\_\_\_Abstain

6. At their discretion, the proxies named above are authorized to vote upon such other matters as may be properly come before the meeting.

\_\_\_Yes\_\_\_No\_\_\_Abstain

\_\_\_\_\_  
Printed Name of Stockholder

\_\_\_\_\_  
Signature of Stockholder /  
Authorized Signatory

\_\_\_\_\_  
Date

THIS PROXY FORM SHOULD BE RECEIVED BY THE CORPORATE SECRETARY ON OR BEFORE 08 DECEMBER 2020 (TUESDAY)

## SECRETARY'S CERTIFICATE

I, \_\_\_\_\_, Filipino, of legal age and with office address at \_\_\_\_\_, do hereby certify that:

1. I am the duly elected and qualified Corporate Secretary of \_\_\_\_\_ (the "Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at \_\_\_\_\_;
2. Based on the records, during the lawfully convened meeting of the Board of Directors of the Corporation held on \_\_\_\_\_, the following resolution was passed and approved:

"RESOLVED, that the Chairman of the Stockholders' Meeting Tagaytay Highlands International Golf Club, Inc. (the "Golf Club") be authorized and appointed, as he is hereby authorized and appointed, as the Corporation's Proxy (the "Proxy") to attend all meetings of the stockholders of the Golf Club whether the meeting is regular or special, or at any meeting postponed or adjourned therefrom, with full authority to vote the shares of stock of the Corporation held in the Golf Club and to act upon all matters and resolution that may come before or presented during meetings, or any adjournments thereof, in the name, place and stead of the Corporation.

"RESOLVED, FINALLY, that the Golf Club be furnished with a certified copy of this resolution and the Golf Club may rely on the continuing validity of this resolution until receipt of written notice of its revocation."

3. The foregoing resolution has not been modified, amended or revoked in accordance with the records of the Corporation presently in my custody.

IN WITNESS WHEREOF, I have signed this instrument in on \_\_\_\_\_.

\_\_\_\_\_  
Printed Name and Signature of the  
Corporate Secretary

SUBSCRIBED AND SWORN TO BEFORE ME on \_\_\_\_\_ in \_\_\_\_\_.  
Affiant exhibited to me his Competent Evidence of Identity by way of \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_.

Doc. No. \_\_\_\_;  
Page No. \_\_\_\_;  
Book No. \_\_\_\_;  
Series of 2020.

THIS SECRETARY'S CERTIFICATE SHOULD BE ATTACHED TO PROXY FORMS SUBMITTED BY CORPORATE STOCKHOLDERS.

# TAGAYTAY HIGHLANDS INTERNATIONAL GOLF CLUB, INC. 2020 ANNUAL STOCKHOLDERS' MEETING

## Guidelines for Participating via Remote Communication and Voting *in Absentia*

The Board of Directors of Tagaytay Highlands International Golf Club, Inc. (the "Golf Club") has set the date of the Golf Club's 2020 Annual Stockholders' Meeting (ASM) on December 11, 2020 at 10:00 A.M. The end of business day on **November 4, 2020** ("Record Date") has also been set as the record date for the determination of stockholders entitled to notice of, to attend, and to vote at such meeting and any adjournment thereof.

In light of the COVID-19 global pandemic resulting in the government's imposition of regulations limiting mass gatherings, the Board of Directors of the Golf Club has approved and authorized stockholders to participate in the ASM via remote communication and to exercise their right to vote *in absentia* or by proxy.

### REGISTRATION

The conduct of the meeting will be streamed live, and stockholders may attend the meeting and/or cast their votes *in absentia* by registering online at [www.tagaytayhighlands.com/asm-registration](http://www.tagaytayhighlands.com/asm-registration) from 24 November 2020, Tuesday until 03 December 2020, Thursday, at 5:30 P.M., and by submitting the following requirements and documents, subject to verification and validation:

1. Individual Stockholders
  - 1.1. Clear digital copy of the front and back portion of a valid government-issued identification card/s (ID/s), which include the passport, driver's license, SSS ID, senior citizen ID, among others, in order to validate the registration of the shareholder.
  - 1.2. Stock certificate number
  - 1.3. Active e-mail address/es
  - 1.4. Active contact number/s, with area and country codes
2. Multiple Stockholders or with joint accounts
  - 2.1. Clear digital copy of the front and back portion of a valid government-issued identification card/s (ID/s), which include the passport, driver's license, SSS ID, senior citizen ID, among others in order to validate the registration of the shareholders
  - 2.2. Stock certificate number/s
  - 2.3. Active e-mail addresses of the stockholders
  - 2.4. Active contact numbers, with area and country codes
  - 2.5. Digital copy of an authorization letter executed by all named holders, authorizing a holder to vote for and on behalf of the account
3. Corporate Stockholders
  - 3.1. Digital copy of the Secretary's Certificate (or equivalent for non-resident) attesting to the authority of the representative to participate and vote for and on behalf of the corporation
  - 3.2. Clear digital copy of the front and back portion of a valid government-issued identification card/s (ID/s), which include the passport, driver's

license, SSS ID, senior citizen ID, among others, to validate the registration of the authorized representative

- 3.3. Active e-mail address/es of the authorized representative
- 3.4. Active contact number of an authorized representative, with area and country codes

By providing the Golf Club with the foregoing documents for the purpose of validating credentials and registration to participate and vote at the Golf Club's annual stockholders' meeting, **the registering stockholder is deemed to have consented to the Club's processing of his personal data in accordance with the Data Privacy Act.**

For ease of validation, the registering stockholder shall note the following:

- a. The ID submitted must clearly show his/her photo, full name, signature, residential address, and other personal details.
- b. Any duplicate submission and/or inconsistent information/documents may result to a failed registration.

### **ONLINE VOTING**

1. After registration and upon verification of registration credentials, a link to the voting portal, with instructions, will be sent by the Golf Club to the qualified stockholder's registered e-mail address.
2. Log-in to the voting portal by clicking the link.
3. Upon accessing the portal, the stockholder can vote on each agenda item. A brief description of each item for stockholders' approval is appended to the Notice of Meeting.
  - 2.1 A stockholder has the option to vote "Yes", "No", or "Abstain" on each agenda item for approval.
  - 2.2 For the election of directors, the stockholder has the option to vote for all nominees, withhold vote for any of the nominees, or vote for certain nominees only.

*Note: A stockholder may vote such number of his 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 (11 directors) multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit, provided, that the total number of votes cast shall not exceed the number of shares owned by the stockholder.*

4. Once the stockholder has finalized his vote, he can proceed to submit his vote by clicking the "Submit" button. After the electronic ballot has been submitted, the registered stockholder may no longer make any changes.

Please be advised that the voting platform will be made available until 9:00 in the morning of 11 December 2020 (Friday).

### **ASM LIVESTREAM**

The ASM will be broadcasted live. Upon verification of registration credentials, the registered stockholder shall receive from the Club an email confirmation containing the link and password to the livestream, and instructions on how to access the livestream. These instructions were also made available at the Golf Club's website: [www.tagaytayhighlands.com](http://www.tagaytayhighlands.com)

### **OPEN FORUM**

During the virtual meeting, after all items in the agenda have been discussed, the Golf Club will have the Question and Answer Portion, during which, the meeting's moderator will read and where representatives of the Golf Club shall answer questions and comments received from stockholders, as time will allow.

A section for stockholder comments/questions or a "chatbox" will be provided in the livestreaming platform.

Questions/comments received but not entertained during the Open Forum due to time constraints will be addressed separately by the Golf Club via email.

**For any concerns, please email us at** [membership.th@tagaytayhighlands.com](mailto:membership.th@tagaytayhighlands.com).

**For complete information on the annual meeting, please visit** [www.tagaytayhighlands.com](http://www.tagaytayhighlands.com).



**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: **Tagaytay Highlands International Golf Club, Inc.** (the "Golf Club")
3. **Tagaytay Highlands Complex, Brgy. Calabuso, Tagaytay City**  
Province, country or other jurisdiction of incorporation or organization
4. SEC Identification Number: **ASO91-190731**
5. BIR Tax Identification Code: **000-533-433**
6. Address of principal office: **Tagaytay Highlands Complex, Brgy. Calabuso, Tagaytay City**  
Postal Code: **4120**
7. Registrant's telephone number, including area code: **(046) 483 0888**
8. Date, time and place of the meeting of security holders:
- Date: **11 December 2020**  
Time: **10:00 a.m.**  
Place: **Not Applicable (via Remote Communication)**
9. Approximate date on which the Information Statement is to be sent or given to security holders: **19 November 2020**
10. Securities registered pursuant to sections 8 and 12 of the Code or Section 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):
- | <u>Title of Each Class</u> | <u>Number of Shares of Common Stock Outstanding<br/>and Amount of Debt Outstanding</u> |
|----------------------------|--|
| Proprietary Shares         | <b>2,957</b> (As of 04 November 2020)  |
11. Are any or all registrant's securities listed on a Stock Exchange?
- Yes  No

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

## GENERAL INFORMATION

### ITEM 1. DATE, TIME AND PLACE OF MEETING OF SECURITY HOLDERS.

DATE: **11 December 2020**

TIME: **10:00 A.M.**

PLACE: **Video conferencing in accordance with SEC rules**

Mailing address: **Tagaytay Highlands Complex, Brgy. Calabuso, Tagaytay City**

Approximate date on which the Information Statement is to be sent or given to security holders: **19 November 2020**

### ITEM 2. DISSENTER'S RIGHT OF APPRAISAL

The matters to be voted upon in the Annual Stockholders' Meeting on **11 December 2020** are not among the instances enumerated in Sections 41 and 80 of the Revised Corporation Code whereby the right of appraisal, defined to be the right of any stockholder to dissent and demand payment of the fair value of his shares, may be exercised. The instances where the right of appraisal may be exercised are as follows:

1. In case any amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those outstanding shares of any class, or of extending or shortening the term of corporate existence;
2. In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all the corporate property and assets as provided in the Corporation Code;
3. In case the Golf Club decides to invest its funds in another corporation or business outside of its primary purpose; and
4. In case of merger or consolidation.

In case the right of appraisal may be exercised, Section 81 of the Revised Corporation Code provides for the appropriate procedure, viz:

The appraisal right may be exercised by any stockholder who shall have voted against the proposed corporate action, by making a written demand on the corporation within thirty (30) days after the date on which the vote was taken for payment of the fair value of his shares; Provided, that the failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented or affected, the corporation shall pay to such stockholder, upon surrender of the certificate(s) of stock representing his shares, the fair value thereof as of the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If within a period of sixty (60) days from the date the corporate action was approved by the stockholders, the withdrawing stockholder and the corporation cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the stockholder, another by the corporation and the third by the two thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the corporation within thirty (30) days after such award is made; Provided, that no payment shall be made to any dissenting stockholder unless the corporation has unrestricted retained earnings in its books to cover such payment; Provided further, that upon payment by the corporation of the agreed or awarded price, the stockholder shall forthwith transfer his shares to the corporation.

### **ITEM 3. INTEREST OF CERTAIN PERSONS IN OR OPPOSITION TO MATTERS TO BE ACTED UPON**

- a. No person who has been a director or officer or a nominee for election as director of the Golf Club or associate of such persons, has a substantial interest, direct or indirect, in the matter to be acted upon.
- b. No director of the Golf Club has informed the Club in writing that he intends to oppose the action to be taken by the Golf Club.

### **CONTROL AND COMPENSATION INFORMATION**

### **ITEM 4. VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

- a. The Golf Club has **2,957** outstanding shares as of 04 November 2020. Each common share shall be entitled to one (1) vote with respect to all matters to be taken up during the annual stockholders' meeting with the exception of the election of directors as indicated in item (c) below.
- b. The record date for determining stockholders entitled to notice of and to vote during the annual stockholders' meeting is on **04 November 2020**.
- c. In the forthcoming annual stockholders' meeting, stockholders shall be entitled to elect eleven (11) members to the Board of Directors. Each stockholder may vote such number of shares for as many as eleven (11) persons he may choose to be elected from the list of nominees, or he may cumulate said shares and give one candidate as many votes as the number of his shares multiplied by eleven (11) shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit, provided that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by eleven (11).

d. Security Ownership of Certain Record and Beneficial Owners

The following table shows the record and beneficial owners owning more than 5% of the outstanding capital stock of the Golf Club as of **04 November 2020**.

TITLE OF CLASS	NAME AND ADDRESS OF RECORD OWNER AND RELATIONS WITH THE ISSUER	NAME OF BENEFICIAL OWNER AND RELATIONSHIP WITH RECORD OWNER	CITIZENSHIP	NO. OF SHARES HELD	PERCENT OF CLASS
Proprietary share	<b>Belle Corporation*</b> 28/F East Tower Phil. Stock Exchange Centre, Exchange Road Ortigas Center, Pasig City, Metro Manila	Same as record owner	Filipino	1,328 shares	44.91%

\*Belle Corporation is a publicly-listed corporation. The following are the incumbent members of the Board of Directors of Belle Corporation are: Mr. Willy N. Ocier, Ms. Elizabeth Anne C. Uychaco, Mr. Emilio S. De Quiros Jr., Mr. Manuel A. Gana, Mr. Gregorio U. Kilayko, Mr. Jacinto C. Ng Jr., Mr. Ricardo L. Moldez, Mr. Jose T. Sio, Mr. Amando M. Tetangco Jr., Mr. Cesar E.A. Virata, and Ms. Virginia A. Yap. All the members of the Board of Directors of Belle Corporation are Filipino citizens.

Mr. Willy N. Ocier has been designated by Belle Corporation to vote on its behalf.

The top 20 stockholders of Belle Corporation as of 30 September 2020 are as follows:

	STOCKHOLDERS	TYPE / CLASS	OUTSTANDING & ISSUED SHARES
1	Belleshare Holdings, Inc.	Common	2,604,740,622
2	PCD Nominee Corporation (Filipino)	Common	2,517,633,059
3	PCD Nominee Corporation (Non-Filipino)	Common	2,023,961,985
4.	Sysmart Corporation	Common	1,629,355,469
5	Sybase Equity Investment Corporation.	Common	531,320,577
6	Social Security System	Common	442,402,786
7	Ng, Jacinto L. Jr.	Common	135,860,666
8	Eastern Securities Development Corp.	Common	111,730,866
9	Premium Leisure Corporation (form. Sinophil Corp)	Common	99,987,719
10	Ng, Jacinto L. Sr.	Common	88,835,833
11	Parallax Resources Inc.	Common	86,308,131
12	SLW Development Corporation	Common	66,082,333
13	Eastern Sec. Development Corporation	Common	50,000,000
14	F. Yap Securities, Inc.	Common	31,803,732
15	Willy N. Ocier	Common	23,457,709
16	Jacinto Jr. Ng and/or Anita C. Ng	Common	18,293,333
17	Lim Siew Kim	Common	6,200,000
18	James Go.	Common	4,816,999
19	William T. Gabaldon	Common	4,000,000
20	Pacita K. Yap / Phillip K. Yap	Common	3,500,000

## SECURITY OWNERSHIP OF MANAGEMENT

The following is a tabular presentation of the shares beneficially owned by all directors and executive officers of the Golf Club as of **04 November 2020**.

TITLE OF CLASS	NAME OF BENEFICIAL OWNER	AMOUNT AND NATURE OF OWNERSHIP	CITIZENSHIP	PERCENT OF CLASS
Proprietary Share	<b>Hans T. Sy</b> [REDACTED]	1 share/Beneficial	Filipino	0.03%
Proprietary Share	<b>Willy N. Ocier</b> [REDACTED]	1 share/Beneficial	Filipino	0.03%
Proprietary Share	<b>Jerry C. Tiu</b> [REDACTED]	1 share/Beneficial	Filipino	0.03%
Proprietary Share	<b>Henry T. Sy, Jr.</b> [REDACTED]	1 share/Beneficial	Filipino	0.03%
Proprietary Share	<b>Manuel A. Gana</b> [REDACTED]	1 share/Beneficial	Filipino	0.03%
Proprietary Share	<b>Joseph T. Chua</b> [REDACTED]	1 share/Beneficial	Filipino	0.03%
Proprietary Share	<b>Frederic C. DyBuncio</b> [REDACTED]	1 share/Beneficial	Filipino	0.03%
Proprietary Share	<b>Ruben C. Tan</b> [REDACTED]	1 share/Beneficial	Filipino	0.03%
Proprietary Share	<b>Armin B. Raquel-Santos</b> [REDACTED]	1 share/Beneficial	Filipino	0.03%
Proprietary Share	<b>A. Bayani K. Tan</b> [REDACTED]	1 share/Beneficial	Filipino	0.03%
Proprietary Share	<b>Gabriel R. Singson, Jr.</b> [REDACTED]	1 share/Beneficial	Filipino	0.03%
<b>Aggregate Security Ownership of Directors and Officers</b>		<b>11 shares</b>		<b>0.33%</b>

## VOTING TRUST HOLDERS OF 5% OR MORE

There is no party that holds any voting trust or any similar agreement for 5% or more of the Golf Club's voting securities.

## CHANGES IN CONTROL

The Golf Club is not aware of any arrangement that may result in a change in control of the Club.

## ITEM5. DIRECTORS AND EXECUTIVE OFFICERS

### a. Directors, Executive Officers, Promoters and Control Persons

The following are the incumbent Directors and Executive Officers of the Golf Club elected during the last meeting of the shareholders for the year 2019-2020:

NAME	NATIONALITY	POSITION	AGE	TERM OF OFFICE
Hans T. Sy	Filipino	Chairman of the Board	64	1992 to present
Willy N. Ocier	Filipino	Vice Chairman	63	1992 to present
Jerry C. Tiu	Filipino	Director / President	63	1999 to present
Manuel A. Gana	Filipino	Vice President / Treasurer	62	2000 to present
A. Bayani K. Tan	Filipino	Director/Corporate Secretary	64	1992 to present
Henry T. Sy, Jr.	Filipino	Director	64	2006 to present
Joseph T. Chua	Filipino	Independent Director	63	2008 to present
Frederic C. DyBuncio	Filipino	Director	61	2013 to present
Armin B. Raquel-Santos	Filipino	Director	53	2013 to present
Gabriel R. Singson, Jr.	Filipino	Director	55	2015 to present
Ma. Clara T. Kramer	Filipino	General Manager	59	2010 to present

Upon recommendation of the Golf Club's Nomination Committee composed of Messrs. Willy N. Ocier (Chairman), Hans T. Sy and Joseph T. Chua, as required by the Golf Club's Manual of Corporate Governance, the following persons are nominated for election to the positions above-stated for the year 2020-2021, to hold office as such for one year or until their successors shall have been duly elected and qualified.

The nominees for election as independent directors, Mr. Joseph T. Chua and Mr. Ruben C. Tan, were nominated by Mr. Willy N. Ocier and Mr. A. Bayani K. Tan, respectively. Except as fellow stockholders of the Golf Club, the nominees for independent director are not related to the persons nominating them.

Presented below are brief write-ups on the nominees' business experience for at least the past five (5) years:

### Hans T. Sy

Mr. Sy is the Chairman of the Board of the Golf Club from 1992 up to present. He is also a Director of the Tagaytay Midlands Golf Club, Inc. ("TMGCI") since 1992 up to present and The Country Club at Tagaytay Highlands, Inc. ("TCCATHI") from 1996 up to present and of The Spa & Lodge at Tagaytay Highlands, Inc. ("TSL") from 1996 to present. Currently he is the Chairman of the Executive Committee of SM Prime and has been a Director since 1994. He previously held the position of President until September 2016. He has held key positions in businesses related to banking, real estate development, mall operations, as well as leisure and entertainment. In the

SM Group, his other current positions include Adviser to the Board of SM Investments Corporation, Chairman of China Banking Corporation, and Chairman of National University. Mr. Sy is a B.S. Mechanical Engineering graduate from De La Salle University.

### **Willy N. Ocier**

Mr. Ocier is the Vice-Chairman of the Board of the Golf Club from 1992 up to present. He is also the Chairman of the Board of TMGCI, TCCATHI and TSL from 1996 up to present. He is also Co-Vice Chairman Belle Corporation, and concurrently the Chairman and President of Pacific Online Systems Corporation; Chairman of the Board and a Director of APC Group, Inc., Premium Leisure Corp., and Total Gaming and Technologies, Inc. He is a Director of Leisure and Resorts World Corporation, Vantage Equities, PhilEquity Management, Inc., Toyota Corporation Batangas and AbaCore Capital Holdings, Inc. He is also the Chairman, President and Chief Executive Officer of Philippine Global Communications, Inc. He was formerly President and Chief Operating Officer of Eastern Securities Development Corporation. He graduated from Ateneo de Manila University with a Bachelor of Arts degree in Economics. In recognition of Mr. Ocier's corporate leadership and role in providing employment opportunities to Filipinos, the University of Batangas conferred him a degree in Doctor of Humanities, *honoris causa*.

### **Jerry C. Tiu**

Mr. Tiu, Filipino, 64, is the President of the Golf Club from 1999 to present. He is also an Independent Director of Philippine Global Communications, Inc. since 2009. He is the President and a Director of The Country Club at Tagaytay Highlands, Inc., Tagaytay Midlands Golf Club, Inc., and The Spa & Lodge at Tagaytay Highlands, Inc. He is an Independent Director of the Pacific Online Systems Corporation since February 21, 2007 and was appointed as the Lead Independent Director last May 31, 2017. He is likewise the President and a Director of Tagaytay Highlands Community Condominium Association, Inc., Tagaytay Midlands Community Homeowners' Association, Inc., and Greenlands Community Homeowners' Association, Inc. Moreover, he is the Vice-President and a Board of Trustee of The Highlands Prime Community Condominium Owners' Association, Inc., The HPI's Horizon Community Condominium Owners' Association, Inc. and The Hillside at Tagaytay Highlands Community Homeowners' Association, Inc. He holds a Bachelor of Science degree in Commerce (Major in Marketing) from University of British Columbia.

### **Henry T. Sy Jr.**

Mr. Sy Jr. is a Director of the Golf Club and holds many key positions in the SM Group of Companies as well as several other companies. He is Vice Chairman of SM Investments Corporation since January 11, 2005 up to present. He is also the Chairman of SM Prime Holdings, Inc. since April 15, 2014 up to present. He is also Chairman and CEO of SM Development Corporation from April 24, 2013 up to present, Chairman of Pico de Loro Beach and Country Club Inc. and Vice Chairman of The National Grid Corporation of the Philippines. Mr. Sy holds a degree in Bachelor of Science in Management from De La Salle University.

### **Joseph T. Chua – Independent Director**

Mr. Chua is an Independent Director of the Golf Club. He is the President and COO of MacroAsia Corporation since December 15, 2015. He was the CEO of MacroAsia Corporation from July 2003 to December 14, 2015. He is also the President and Director of MacroAsia Catering Services, Inc. (July 2003-Present), MacroAsia Airport Services Corp. (1999-Present) and MacroAsia Mining Corporation. He is the Chairman of the Board of MacroAsia Properties Development Corporation, MacroAsia Mining Corporation, First Aviation Academy Inc., JF

Rubber Philippines, Watergy Business Solutions Inc., Cavite Business Resources Inc., Boracay Tubi System Inc., Naic Water Supply Corporation, Alliedkonsult Eco-solutions Services Corp., Cavite Alliedkonsult Services Corporation and Summa Water Resources, Inc. He also serves as a Director of ETON Properties Philippines, Inc. (May 2013 - Present), Lufthansa Technik Philippines, Inc. (1999-Present), Philippine National Bank, PNB general Insurers Co. Inc., and PAL Holdings Inc. (October 2014 – present) He also serves as a Managing Director of Goodwind Development Corp. (1982-2012) and President (2013-Present). Mr. Chua holds a Master of International Finance degree from the University of Southern California, USA and a double degree of Bachelor of Arts in Economics and Bachelor of Science in Business Management from the De La Salle University.

### **Ruben C. Tan – Independent Director**

Mr. Tan is nominated an Independent Director of the Golf Club. He is the President of Glendale Mining & Development Corporation since 1997, Citimex, Inc. since 1984, Cedarside Industries Inc. since 1996, and Barrington Carpets Inc, since 1989. He likewise holds directorships in Blue Ridge Mineral Corp. from 2012 to present, and Eagle Crest Mining & Development Corp. from 2012 to present. Mr. Tan holds a Bachelor of Science degree in Mechanical Engineering from the De La Salle University (Class of 1978).

### **A. Bayani K. Tan**

Mr. A. Bayani K. Tan, 64, Filipino, is a Director and the Corporate Secretary of the Corporation (since November 1993). He is also a Director, Corporate Secretary or both of the following reporting and/or listed companies: Belle Corporation (since May 1994, Publicly Listed), Coal Asia Holdings, Inc. (since July 2012, Publicly-Listed), Discovery World Corporation (since March 2013, Publicly-Listed), I-Remit Inc. (since May 2007, Publicly-Listed), Pacific Online Systems Corporation (since May 2007, Publicly-Listed), Premium Leisure Corporation (since December 1993, Publicly-Listed), Sterling Bank of Asia Inc (A Savings Bank) (since December 2006), TKC Metals Corporation (since February 2007, Publicly-Listed), Tagaytay Midlands Golf Club, Inc. (since June 1997), The Country Club at Tagaytay Highlands, Inc. (since August 1995), and The Spa and Lodge at Tagaytay Highlands, Inc. (since December 1999). He is the Managing Partner of the law offices of Tan Venturanza Valdez (since it was established in 1988), Managing Director/President of Shamrock Development Corporation (since May 1988), Director of Destiny LendFund, Inc. (since December 2005), Pascual Laboratories, Inc. (since March 2014), and Pure Energy Holdings Corporation (since October 2016), Managing Trustee of the SCTan Foundation, Inc. (since 1986), President of Catarman Chamber Elementary School Foundation, Inc. (since August 2012), Trustee and Treasurer of Rebisco Foundation, Inc. (since April 2013), Trustee and Corporate Secretary of St. Scholastica's Hospital, Inc. (since February 2011) and Trustee of Guimaras Forest Foundation, Inc. (since September 2019), Reintegration for Care and Wholeness (RCW) Foundation, Inc. (since April 2014) and St. Scholastica's College Manila (since October 2019).

Mr. Tan holds a Master of Laws degree from New York University (Class of 1988) and earned his Bachelor of Laws degree from the University of the Philippines (Class of 1980) where he was a member of the Order of the Purple Feather (U.P. College of Law Honor Society). Mr. Tan placed 6th in the bar examinations in 1981. He has a Bachelor of Arts major in Political Science degree from the San Beda College (Class of 1976) from where he graduated Class Valedictorian and was awarded the medal for Academic Excellence.

### **Manuel A. Gana**

Mr. Gana is the Vice President and Treasurer of the Golf Club. Mr. Gana is the Director, President and Chief Executive Officer of Belle Corporation. He joined Belle in 1997 as Vice President for Corporate Development and Special Projects, during which time he was also assigned as the



Vice President-Finance and Chief Financial Officer for MagiNet Corporation, which was then a subsidiary of Sinophil Corporation (now called Premium Leisure Corporation), a subsidiary of Belle. Mr. Gana holds a Master of Business Administration degree from the Wharton School of the University of Pennsylvania, and degrees in Accounting and Economics from De La Salle University. He is a Certified Public Accountant.

### **Armin B. Raquel-Santos**

Mr. Armin Antonio B. Raquel Santos is a Director of Golf Club. He has been the Executive Vice President – Integrated Resorts of Belle Corporation since 2011, President and Chief Executive Officer of Premium Leisure Corp and Premium Leisure and Amusement Inc., Director of Pacific Online Systems Corporation since 2017 and Trustee in MELCO Resorts (Phils.) Foundation Corp. Previously, Chief Financial Officer (CFO) of Aboitizland, Inc. Cebu Industrial Park, Inc., and Mactan Economic Zone II (a real estate arm of the Aboitiz Group and First Philippine Electric Company, a private intermediate holding company for all manufacturing investments of First Philippine Holdings (Lopez Group).

He has also held various positions in the Philippine Government, notably: Assistant Secretary, Department of Trade and Industry (DTI), Governor of the Board of Investments (BOI), Vice Chairman and CEO, Philippine Retirement Authority (PRA), Executive Vice President, Philippine International Trading Corporation (PITC), and Deputy Administrator of Subic Bay Metropolitan Authority (SBMA). His work experience also includes stints with Securities 2000, Inc. (Singapore Technologies Group) and First Chicago Trust Company of New York. He holds a Masters of Arts in Liberal Studies in Dartmouth College, in New Hampshire and a Bachelor of Business Administration degree Major in Finance from Iona College in New York.

### **Frederic C. DyBuncio**

Mr. DyBuncio is a Director of the Golf Club. Mr. DyBuncio was the President, Chief Executive Officer of SMIC and 2Go Group, Inc. he is the Vice Chairman of the Board of Atlas Consolidated Mining and Development Corporation and Director of Phoenix Petroleum Philippines, Inc. Prior to holding the post, he was a career banker who spent over 20 year JP Morgan Chase and its predecessor institutions. During his stint in the banking industry, he was assigned various executive positions where he gained substantial professional experience in the areas of credit, relationship management and origination, investment banking, capital markets and general management. He has worked and lived in several major cities including New York, Seoul, Bangkok, Hong Kong and Manila. He graduated from Ateneo de Manila University with a Bachelor of Science degree in Business Administration program at Asian Institute of Management.

### **Gabriel R. Singson, Jr.**

Mr. Singson was elected as a Director of the Golf Club on March 7, 2015. He is currently the Chief Executive Officer of Oak Drive Ventures, Inc. He serves as a Principal Partner of Singson and Ramirez Capital Partners. Mr. Singson served as the Under-Secretary of the Department of Finance at Privatization from 2005 to 2006. He served as Chief Operating Officer of Macondray & Co., Inc. and served with Shearson Lehman Hutton, Inc. and the Bank of the Philippine Islands. He serves as Director of Honda Cars Kalookan, Inc. and Basic Diversified Industrial Holdings Inc. He has been a Director of Basic Energy Corp. since May 2008. He served as a Director of Pancake House Inc., since March 2000. He served as a Member of the Advisory Board of Basic Energy Corp. from September 27, 2007 to May 2008. Mr. Singson obtained his Bachelor of Science degree in Business Management (Honors Program – Magna cum laude) from the Ateneo de Manila University and obtained his Master's degree in Business Administration from the Wharton School, University of Pennsylvania.

## **Executive Officers**

### **Ma. Clara T. Kramer**

Ms. Kramer is the General Manager of Tagaytay Highlands Int'l. Golf Club, Inc. since July 2010. She is also the concurrent General Manager of Tagaytay Midlands Golf Club, Inc. and The Country Club at Tagaytay Highlands, Inc. She is also General Manager of Tagaytay Highlands Community Condominium Association Inc., Tagaytay Midlands Community Homeowners Association, Inc., Greenlands Community Homeowners Association, Inc. and The Highlands Prime Community Condominium Owners Association Inc. starting 2018. She was a consistent Dean's Lister in Assumption College (San Lorenzo Village, Makati City) where she earned her bachelor's degree. She started her career in hotel industry back in December of 1983 when she joined the sales department of Manila Hotel as Sales Executive. In July 1990, she was hired by L'Fisher Hotel as Front Office Manager and later as PR & Promotions Manager until she got promoted in June 2001 and was tasked to manage the Sales and Marketing Department. As member of the management team, she actively took part in the formulation of major policies and procedures of the Hotel. Ms. Kramer is also involved in various civic and social activities as member and resource speaker focusing on family, marriage and parenting.

#### b. Material Pending Legal Proceedings

As of 30 September 2020, there is no material pending legal proceeding which the Golf Club is a party to.

#### c. Significant Employees

The Golf Club has no significant employees.

#### d. Family Relationships

Henry T. Sy, Jr. and Hans T. Sy are brothers.

#### e. Involvement in Certain Legal Proceedings

The Golf Club is not aware of any of the following events wherein any of its directors, nominees for election as director, executive officers, underwriter or control person were involved during the past five (5) years:

(a) Any bankruptcy petition filed by or against any business of which any of the Golf Club's directors or officers was a general partner or executive officer either at the time of the bankruptcy or within two (2) years prior to that time;

(b) 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 the involvement of any of the above persons in any type of business, securities, commodities or banking activities; and,

(c) Any finding by a domestic or foreign court of competent jurisdiction (in civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or self-regulatory organization, that any of the above persons has violated a securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

f. Certain Relationships and Related Transactions

The Golf Club has not been involved in any transaction during the last two (2) years in which any of its directors, executive officers, nominees or security holders has direct or indirect material interest.

Belle Corporation is the parent company of the Golf Club owning 1,328 shares or 44.91% of the total outstanding shares of the Golf Club.

g. Disagreement with Director

None of the directors have resigned or declined to stand for re-election to the Board of Directors since the last annual meeting of security holders because of a disagreement with the Golf Club on any matter relating to the Golf Club's operations, policies or practices.

#### ITEM 6. COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

Except for the President and the General Manager, the Directors do not receive any compensation from the Golf Club.

##### SUMMARY COMPENSATION TABLE

(a) Name and Principal Position	Annual Compensation			
	(b) Year	(c) Salary	(d) Bonus	(e) Others
A Jerry C. Tiu** (President)				
B Ma. Clara T. Kramer** (General Manager)				
TOTAL	2020*			
	2019			
	2018			

\*estimated amounts

\*\*these are the only top compensated Executives or Directors of the Golf Club

The Golf Club has no other arrangements, including consulting contracts, pursuant to which any director of the Golf Club was compensated, or is to be compensated, directly or indirectly, during the Golf Club's last completed fiscal year, and the ensuing year.

#### ITEM 7. INDEPENDENT PUBLIC ACCOUNTANTS

SyCip Gorres Velayo & Co. ("SGV"), the Club's external auditors for 2019, will be recommended for re-appointment as such for the current year. Representatives of SGV are expected to be present at the Annual Stockholders' Meeting to respond to appropriate questions and will be given the opportunity to make a statement if they so desire.

Over the past five (5) years, there was no event where SGV and the Club had any disagreement with regard to any matter relating to accounting principles or practices, disclosure of financial statements or auditing scope or procedure.

In Compliance with SRC Rule 68, as amended, **Mr. Bienvenido M. Rebullido II** was assigned in 2019 as SGV's engagement partner for the Club to replace Ms. Julie Christine Ong-Mateo assignment ended after the 2017-2018 audit engagement.

The Club paid SGV ₱285,000.00 and ₱275,000.00 for external audit services for 2019 and 2018, respectively.

For each of the last two (2) fiscal years, SGV did not render services for tax accounting, planning, compliance, advice, or any other professional services for which it billed the Club the corresponding professional fees.

The Audit Committee, composed of Mr. Ruben C. Tan as Chairman, and Mr. Willy N. Ocier, Jr. and Hans T. Sy as Members, recommends to the Board of Directors the appointment of the external auditors. The Board of Directors and the stockholders approve the Audit Committee's recommendation. The Executive Committee approves the audit fees as recommended by the Audit Committee.

#### **ITEM 8. COMPENSATION PLANS**

There are no stock options, warrants or rights plan or any other type of compensation plan offered to any employees of the Golf Club.

## **OTHER MATTERS**

### **ITEM 15. ACTION WITH RESPECT TO REPORTS**

The Golf Club will seek the approval by the stockholders of the Minutes of the previous Stockholders' Meeting during which the following were taken up:

1. Call to Order
2. Proof of Notice of Meeting
3. Certification of Quorum
4. Approval of the Minutes of the Previous Meeting of Stockholders
5. Approval of 2019 Operations and Results
6. Ratification of all Acts of the Board of Directors and Officers
7. Election of Directors
8. Appointment of Sycip Gorres & Velayo & Co. as External Auditors
9. Other Matters
10. Adjournment

The items covered with respect to the ratification of the acts of the Board of Directors and officers for the past year up to the date of the meeting are those items entered in the ordinary course of business, with those of significance having been covered by appropriate disclosures such as:

1. Resignations and Appointment of Officers;
2. Approval of Retrenchment Program;
3. Amendment and/or Adoption of the Revised Manual on Corporate Governance and Board Committee Charters;
4. Declaration of Delinquent Stockholders and Scheduling of Delinquency Sale;
5. Purchase of Motor Vehicles;
6. Budget for Capital Expenditures/Renovation and other Projects; and
7. Appointment of Authorized Representatives with the BIR and other various agencies.

Management reports which summarize the acts of management for the year 2019 are included in the Golf Club's Annual Report to be sent to the stockholders together with this Information Statement and shall be submitted for approval by the stockholders at the meeting. Accordingly, approval of the Annual Report will constitute approval and ratification of the acts of Management stated in the Annual Report during the period covered thereby.

### **ITEM 18. OTHER PROPOSED ACTIONS**

The items covered with respect to ratification of the acts of the Board of Directors and officers for the past year up to date of the meeting are those items entered into in the ordinary course of business.

### **ITEM 19. VOTING PROCEDURES**

Each stockholder shall be entitled to one vote, in person or thru proxy for each share with voting right. All elections and all questions, except as otherwise provided by law, shall be decided by the plurality vote of the stockholders present in person or by proxy, a quorum (majority of the issued and outstanding capital stock having powers) being present.

In the election of directors, the eleven (11) nominees with the greatest number of votes will be elected directors. If the number of nominees for election as directors does not exceed the number of directors to be elected, the Secretary of the Meeting shall be instructed to cast all votes represented at the Meeting equally in favor of all such nominees. However, if the number of nominees for election as directors exceeds the number of directors to be elected, voting shall be done by ballot, and counting of votes shall be done by two (2) election inspectors appointed by the Chairman of the Meeting.

For motion on other corporate matters that will be submitted for approval and for such other matters as may properly come before the Meeting, a vote of the majority of the shares present or represented by proxy at the meeting is necessary for their approval. For the purpose of this year's annual stockholders' meeting, which will be held only in a virtual format, the stockholders may only vote through proxies or by remote communication (in absentia). The stockholders are encouraged to participate in the meeting by either of the following:

- i. by submitting duly accomplished proxies to the Office of the Corporate Secretary at 2704 East Tower, Philippine Stock Exchange Centre, Ortigas Center, Pasig City, or or via electronic copy by sending an e-mail at [membership.th@tagaytayhighlands.com](mailto:membership.th@tagaytayhighlands.com) on or before 5:30 p.m. on 08 December 2020, Tuesday.

For corporate stockholders, the proxies should be accompanied by a Secretary's Certification on the appointment of the corporation's authorized signatory.

- ii. by registering their votes on the matters to be taken up during the meeting through the e-voting platform set up for the purpose. The e-voting portal will be open until 9:00 in the morning of December 11, 2020. The votes for or against the matter submitted shall be tallied by the Secretary.

*Items 8, 9, 10, 11, 12, 13, 14, 16, and 17 are not responded to in this report, the Club having no intention to take any action with respect to the information required therein.*

## **SIGNATURES**

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 the City of Pasig on 18 November 2020.

**TAGAYTAY HIGHLANDS INTERNATIONAL  
GOLF CLUB, INC.**

By:

**JERRY C. TIU**  
President

## **TAGAYTAY HIGHLANDS INTERNATIONAL GOLF CLUB, INC, BUSINESS AND GENERAL INFORMATION**

### **The Business**

Tagaytay Highlands International Golf Club, Inc. (Golf Club) was incorporated in 1991 as an exclusive membership club operating on a non-profit basis. Its primary purpose is to promote social, recreational and athletic activities among its members by providing and maintaining a golf course, clubhouse, and other sports and recreational facilities. The Golf Club is situated in Tagaytay City which is about 60 kilometers south of Metro Manila.

Setting it apart from the other golf courses in the country, the 18-hole par-71 international championship golf course is situated on an 89-hectare slope designed by American golf architect, Richard Bigler. It was designed for a thinking player as a lot of challenges affect his play - the hilly terrain, the wind, the fog, uphill play and shots across tropical valleys. The Golf Club also boasts of a two-level clubhouse where the panoramic view of Taal Lake, Mt. Makiling, Laguna de Bay and the plains of Laguna and Batangas can be viewed from. Located on the ground level is the Golfers' Lounge while the second level houses an antique shop and theme function rooms. The Golf Club also offers the Swiss-made cable car system in the Philippines which is being utilized to ferry golfers from the front nine holes to back nine holes. Likewise, the Golf Club offers accommodation facilities at the Highlands Inn for its members and guests.

For members who do not play golf, a variety of world-class sports and recreational facilities are available at The Country Club at Tagaytay Highlands, Inc. (TCCATHI). Likewise, the different specialty restaurants offer a wide array of cuisines (Filipino, Chinese, Italian, Japanese, etc.) which are sure to satisfy everyone's palate. In December 1996, the camping ground - Camp Highlands - opened to the members. Also, the Country Club has accommodation facilities at the Cottage Grove and Cowboy Cabin available to members and their guests.

The Golf Club members likewise, can enjoy the facilities of Tagaytay Midlands Golf Club, Inc. (TMGCI). The facilities include a 27-hole golf course, locker rooms, a helipad, a restaurant, and tee houses serving Filipino cuisine, a pro shop and banquet facilities.

### ***Bankruptcy, Receivership or Similar Proceedings***

The Golf Club does not been involved in any bankruptcy, receivership or similar proceedings for the past three (3) years.

### ***Material Reclassification, Merger, Consolidation or Purchase or Sale of a Significant Amount of Assets (Not Ordinary)***

The Golf Club does not engaged in any material reclassification, merger, consolidation or purchase or sale of a significant amount of assets (not ordinary) for the past three (3) years.

### **Competition**

There is no formal or organized secondary market for the purchase and sale of golf and country club shares in the Philippines. As such, holders of shares in the Golf Club who may wish to sell or dispose of their shares in the Club may not readily find a counter party for the transaction at the desired asking price. At present, there is a growing number of golf and country clubs being established in various parts of the country. This may affect appreciation in the value of investment in the Club.



Investments in leisure-oriented developments such as golf and country clubs are influenced by the economic and political conditions in the country. Any adverse economic and political developments in the country may affect the demand for such leisure facilities, and any anticipated appreciation in the prices of golf and country club shares.

Although there are other clubs engaged in the same line of business, the Golf Club competes in terms of service and facilities. The Golf Club is highly competitive because of its golf course where the panoramic view of Taal Lake, Mt. Makiling, and Laguna de Bay can be viewed from. The Golf Club also offers the first cable car system in the Philippines, a Golf Clubhouse which houses the Golfers' Lounge and accommodation facilities.

### **Sources and availability of raw materials**

The Golf Club's principal suppliers include Werdenberg International Corporation, Scania Overseas Inc., ESV International Corporation, RGL33 Fruits & Vegetable Dealer, Delos Reyes Trading, and JC Seafoods Supply. There is no existing major supply contracts entered into by the Club.

### **Transactions with and/or dependence on related parties**

In the ordinary course of business, the Golf Club has transactions with affiliates which consist mainly of usage of Golf Club's facilities and services as well as reimbursement of certain operating expenses such as utilities, contract services and repairs and maintenance.

### **Government Regulations**

The Golf Club has complied with licensing and regulatory requirements necessary for its development and operations.

### **Compliance with Environmental Laws**

The Golf Club has complied with pertinent environmental laws and regulations and has received the Environmental Certificate Clearance issued by the Department of Energy and Natural Resources.

The Golf Club has constructed the Sewerage Treatment Plant so that waste products are reused in its golf course. The Golf Club has also adopted the process of decomposing biodegradable waste products which are converted as fertilizers for the garden.

### **Employees**

The Golf Club is run by a team of regular and casual employees as follows:

Regular Employees (based on head count as of 30 September 2020)

GM & Department Heads	14
Supervisors	32
Rank and File	<u>50</u>
Total	<u>96</u>

All regular rank and file employees are subject to the Collective Bargaining Agreement which expires in June 30, 2024. Some of the regular employees are also seconded to The Country Club at Tagaytay Highlands, Inc. and Tagaytay Midlands Golf Club, Inc.

There has been no strike brought about by the Golf Club's employees in the past twenty years.

## Major Business Risks

The Golf Club has been sustaining its operational requirements through the collection of monthly dues from each member and the operation of restaurants and golf facilities. The Golf Club has no foreign currency exposures or obligations that will have a material impact on its short-term or long-term liquidity due to the depreciation of the peso. During the early part of the COVID-19 pandemic, the Club was experiencing reduced consumer demand owing to lost income and/or restrictions on consumers' ability to move freely and limitation of the Club's activities such as Country tournament, wedding and corporate events. When the government announced a more relaxed community quarantine, the Club's revenues are picking up and are expected to return to its normal earning stream within the next one to two years.

## Directors and Executive Officers

Please refer to discussion on *Directors and Executive Officers*.

## Market Price of and Dividends on Registrant's Common Equity and Related Stockholder Matters

### Market Information

The Golf Club has issued outstanding 2,957 proprietary shares as of 04 November 2020 of which 44.91% is owned by Belle Corporation and the remaining shares are owned by other Club members. There are 1,514 holders of the Club's proprietary shares.

### Top 20 shareholders are as follows:

NAME OF STOCKHOLDER	NO. OF SHARES	%
Belle Corporation	1,328	44.91
Lap Holdings Corporation	59	2.00
First Philippine Holdings Corporation	7	0.24
First Gas Holdings Corporation	5	0.17
Estate of Vicente J. Jayme, Jr.	5	0.17
Unilever Phils. Inc.	5	0.17
First Gen Corporation	3	0.10
Bank of Commerce	3	0.10
Johnson & Johnson (Phils.) Inc.	3	0.10
Kingcare Pharmaceuticals, Inc.	3	0.10
Others	1,536	51.94
<b>Grand Total</b>	<b>2,957</b>	<b>100.00%</b>

Below are the high and low bid prices for the past three (3) years based on newspapers publications:

	HIGH	LOW
Quarter ended March 2017	650,000	550,000
Quarter ended June 2017	650,000	550,000
Quarter ended September 2017	600,000	550,000
Quarter ended December 2017	550,000	550,000
Quarter ended March 2018	650,000	550,000

Quarter ended June 2018	650,000	550,000
Quarter ended September 2018	600,000	550,000
Quarter ended December 2018	550,000	550,000
Quarter ended March 2019	650,000	650,000
Quarter ended June 2019	650,000	650,000
Quarter ended September 2019	650,000	750,000
Quarter ended December 2019	700,000	720,000
Quarter ended March 2020	700,000	850,000
Quarter ended June 2020	850,000	850,000
Quarter ended September 2020	800,000	800,000

The Golf Club's securities are not traded in the Philippine Stock Exchange.

### Recent Sales of Unregistered Securities

The Club did not sell or issue securities within the past three (3) years that were not registered under the Securities Regulation Code.

### Management's Discussion and Analysis

The Golf Club derived its revenues from membership dues, food and beverage sales, and income from golf operations.

#### Financial Highlights

(In Million Pesos)

	<b>Sept 30</b>	<b>Sept 30</b>	<b>Dec 31</b>	<b>Dec 31</b>	<b>Dec 31</b>
	<b>2020</b>	<b>2019</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>Balance Sheet</b>					
Total Assets	568.57	559.64	584.84	533.24	532.78
Total Liabilities	251.55	223.07	242.04	211.28	214.53
Total Members Equity	317.03	336.57	342.81	321.96	318.24
<b>Income Statement</b>					
Total Revenues	104.60	154.67	222.84	176.20	171.49
Total Cost and Operating Expenses	91.14	122.85	199.13	173.68	167.42
Depreciation and Amortization	27.24	20.80	28.14	29.48	29.28
Excess of Expenses over Revenue	(23.17)	10.74	19.99	2.05	2.58

### Dividends

The Golf Club is a non-profit corporation, and as such, it does not declare dividends to its shareholders. In accordance with the Golf Club's Articles of Incorporation and By-Laws, no profit shall inure to the exclusive benefit of any of its shareholders, hence, no dividends shall be declared in their favor. Shareholders shall be entitled only to a pro-rata share of the asset of the Club at the time of the dissolution or liquidation of the Golf Club.

### **Recent Sales of Unregistered or Exempt Securities**

All the Club's securities are registered under the Securities Regulation Code. There were no sale of reacquired securities, as well as new issues, securities issued in exchange for property, services, or other securities, and new securities resulting from the modification of outstanding securities for the past three (3) years.

## **RESULTS OF OPERATIONS**

### **Quarter Ended September 30, 2020 compared to September 30, 2019**

#### **REVENUE**

During the nine-month period ended September 30, 2020, the Golf Club generated total revenue of P96.08 million, decreased by P58.59 million or 37.88% from last year's revenue of P154.67 million. This was mainly attributed to the decrease in green fees by P13.21 million or 84.36% from P15.66 million in 2019 to P2.45 million in 2020. Room sales, likewise, showed a decrease of P10.57 million or 94.05% from P11.24 million for the quarter ended September 30, 2019 to P0.67 million for the quarter ended September 30, 2020. Food, beverage and sundries also decreased by P8.91 million or 48.88%. Golf cart, locker rental and others also showed a decrease by P7.07 million or 78.45% from P9.01 million in the quarter ended September 30, 2019 to P1.94 million in 2020. Commission from concessionaires and other parties likewise showed a decrease by P5.60 million or 90.32% from P6.20 million for 2019 and P0.60 million for 2020. Also, service charge revenue, membership transfer fees, guest card, sponsorship and assignment fees showed a decrease by P3.51 million, P2.11, P2.89, P1.15 million and 0.59 or 3.51%, 51.90%, 87.49%, 69.62% and 52.76% for the quarter ended September 30, 2020. This was the result of the Taal Volcano Eruption and the outbreak of COVID-19 pandemic wherein there is reduced consumer demand owing to lost income and/or restrictions on consumers' ability to move freely and limitation of the Club's activities such as Golf tournaments, wedding and corporate events.

#### **COST AND OPERATING EXPENSES**

For the nine-month ended September 30, 2020, cost and operating expenses of P91.14 million showed a decrease of P31.71 million or 25.81% compared to P122.85 million in 2019. Mainly due to salaries, wages and employee benefits that showed a decrease of P12.20 million or 32.13% from P37.98 million to P25.77 million in September 30, 2019 and 2020. Club tournament expense also showed a decrease by P4.30 million or 87.97% due to postponed/cancelled tournaments because of closing of club operations. Communications, light and water shows P4.14 million lesser by P7.06 million from P11.20 million in the quarter ended of June 30, 2019 respectively, due to decrease in utilities consumption during the period. Food, beverage and sundries likewise showed a decrease by P3.21 million or 32.17%. Repairs and maintenance also showed a decrease by P2.61 million or 11.34% compared to P23.04 million as of December 31, 2019. Supplies expense also showed a decrease of P2.21 million or 58.51% from P3.78 million for the quarter ended September 30, 2019 to P1.57 million for the quarter ended September 30, 2020.

#### **NET INCOME/LOSS**

For the nine-month period ended September 30, 2020, the Golf Club posted net loss of P22.40 million which is lower by P33.14 million or 308.50% as compared to net income of P10.74 million in the nine-month period ended September 30, 2019 due to Taal Volcanic eruption and outbreak of Covid pandemic.

### **December 31, 2019 compared to December 31, 2018**

#### **REVENUE**

For the year ended December 31, 2019, the Golf Club generated total revenue of P176.60

million, higher by P48.09 million or 37.42% from last year's revenue of P128.51 million mainly due to the increase in food, beverage and sundries by P21.59 million or 190.08% from P11.36 million to P32.95 million as of December 31, 2018 and 2019 respectively. Green fees increased by P5.01 million or 32.00% from P15.64 million to P20.65 million as of December 31, 2018 and 2019. Membership dues increased by P20.05 million or 26.81% from P74.78 million in December 31, 2018 and P94.82 million in 2019. Golf cart, locker rental and others increased by P2.08 million or 23.92% from P8.69 million as of December 31, 2018 to P10.77 million as of December 31, 2019 due to increase in number of registered paying guests. Golf cart revenue likewise increased by P1.82 million compared to last year's rental revenue due to increase in guest card and tournament sponsorship for the period.

On the other hand, Room Sales decreased by P0.91 million or 5.27% from P17.31 million as of December 31, 2018 to P16.40 million as of December 31, 2019 due to decrease in number of room occupancy by 303 from 3,871 to 3,568 as of December 31, 2018 and December 31, 2019 respectively. Commission also showed a decrease of P1.50 million or 13.79% from P10.85 million as of December 31, 2018 to P9.36 million as of December 31, 2019 due to lower commission from restaurant concessionaire for the period.

### **COST AND OPERATING EXPENSES**

In 2019, cost and operating expenses of P162.05 million showed an increase of P24.93 million or 18.18% compared to P137.12 million in 2018. Food, beverage and sundry costs increased by P16.22 million from P7.03 million in December 31, 2018 to P23.25 million in December 31, 2019. Salaries, wages and employee benefits also increased by P2.43 million, from P46.93 million as of December 31, 2018 to P49.37 million as of December 31, 2019, due to incorporation of meal allowance and wage adjustment. Repairs and maintenance increased by P1.69 million or 6.87% from P24.59 million in December 31, 2018 to P26.28 million in December 31, 2019, mainly due to completion of renovations in the club. Communications, light and water of P13.28 million as of December 31, 2019 is P0.61 million or 4.83% higher than P12.67 million as of December 31, 2018 due to increase in golf course irrigation. Outside services also showed an increase of P0.54 million or 9.70% from P5.61 million as of December 31, 2018 to P6.16 million as of December 31, 2019 due to increase in contract service and facilities & building maintenance services during the period.

Transportation decrease by P0.33 million from P0.71 million in December 31, 2018 to P0.39 million in December 31, 2019 that showed also a decrease in fuel and oil by P0.44 million or 20.68% due to decrease of use by Golf Course Services and transportation. Supplies decreased by P0.11 million or 2.74% from P4.03 million as of December 31, 2018 to P3.92 million as of December 31, 2019 as a result of cost control measures implemented during the year.

### **NET INCOME**

As a result, the Golf Club realized net income of P19.99 million for the year ended December 31, 2019. This is P17.95 million or 876.49% higher than the net income of P2.05 million for the year ended December 31, 2018.

### **December 2018 compared to December 2017**

#### **REVENUE**

For the year ended December 31, 2018, the Golf Club generated total revenue of P128.51 million, higher by P2.06 million or 1.63% from last year's revenue of P126.45 million mainly due to the increase in Green Fees by P3.08 million or 24.49% from P12.57 million to P15.64 million as of December 31, 2017 and 2018 respectively. Golf cart, locker rental and others increased by P0.64 million or 7.32% from P8.78 million as of December 31, 2017 to P9.42 million as of December 31, 2018 due to increase in number of registered paying guests by 2,620 from 10,002 as of December 31, 2017 to 12,622 as of December 31, 2018. Miscellaneous income likewise increased

by P3.39 million or 13.10% from P25.85 million as of December 31, 2017 to P29.23 million as of December 31, 2018 due to increase in guest card and tournament sponsorship for the period.

On the other hand, Room Sales decreased by P1.30 million or 6.99% from P18.61 million as of December 31, 2017 to P17.31 million as of December 31, 2018 due to decrease in number of room occupancy by 218 from 4,089 to 3,871 as of December 31, 2017 and December 31, 2018 respectively. Commission also showed a decrease of P1.15 million or 8.95% from P12.82 million as of December 31, 2017 to P11.67 million as of December 31, 2018 due to lower commission from restaurant concessionaire for the period.

### **COST AND OPERATING EXPENSES**

In 2018, cost and operating expenses of P173.68 million showed an increase of P6.26 million or 3.68% compared to P167.42 million in 2017. Taxes and Licenses increased by P2.43 million or 48.70%, from P4.98 million as of December 31, 2017 to P7.41 million as of December 31, 2018, mainly due to increase in Real Property Tax of P2.21 million for the period as a result of Tagaytay City Ordinance No. 216 effective January 1, 2018. Salaries, wages and employee benefits also increased by P2.97 million, from P41.10 million as of December 31, 2017 to P44.07 million as of December 31, 2018, due to CBA increase, incorporation of meal allowance and wage adjustment. Communications, light and water of P13.79 million as of December 31, 2018 is P1.23 million or 9.78% higher than P12.56 million as of December 31, 2017 due to increase in golf course irrigation. Repairs and maintenance also showed an increase of P1.00 million or 3.81% from P26.33 million as of December 31, 2017 to P27.34 million as of December 31, 2018 due to increase in contract service and facilities & building maintenance services during the period.

Entertainment, amusement and recreation also showed a decrease of P0.13 million or 21.32% due to lower entertainment checks issued during the period. Food, beverage and sundry costs decreased by P0.84 million or 10.68% from P7.87 million as of December 31, 2017 to P7.03 million as of December 31, 2018 as a result of cost control measures implemented during the year.

### **NET INCOME**

As a result, the Golf Club realized net income of P2.05 million for the year ended December 31, 2018. This is P0.53 million or 20.62% lower than the net income of P2.58 million for the year ended December 31, 2017.

## **December 2017 compared to December 2016**

### **REVENUE**

For the year ended December 31, 2017, the Golf Club generated total revenue of P171.49 million, decreased by P0.68 million or 0.39% from last year's revenue of P172.17 million. This was mainly attributed to the decrease in Golf cart, locker rental and others by P1.91 million or 19.23% from P9.93 million to P8.02 million as of December 31, 2016 and 2017 respectively. Membership transfer and assignment fees also showed a decrease of P0.42 million or 6.43% due to lesser number of transferred shares during the period. Miscellaneous income likewise decreased by P2.09 million or 9.13% due to decrease in guest card and service charge revenue for the period.

On the other hand, Green fees increased by P3.85 million or 44.19% from P8.72 million as of December 31, 2016 to P12.57 million as of December 31, 2017 due to increase in number of registered paying guests by 1,987 from 8,031 to 10,018 as of December 31, 2016 and December 31, 2017, respectively. Food, beverage and sundries revenue also showed an increase of P0.75 million or 7.11% from P10.91 million as of December 31, 2016 to P11.69 million as of December 31, 2017.

## **COST AND OPERATING EXPENSES**

In 2017, cost and operating expenses of P167.42 million showed a decrease of P2.15 million or 1.27% compared to P169.57 million in 2016. Outside services also showed a decrease of P8.93 million or 41.39% from P21.78 million as of December 31, 2016 to P12.85 million as of December 31, 2017 due to decrease in contract service labor during the period. Communications, light and water showed a decrease of P0.78 million or 5.85% from P13.34 million to P12.56 million in December 31, 2016 and 2017 respectively due to constant monitoring of utilities consumption during the period.

Meanwhile, repairs and maintenance showed an increase of P2.94 million or 12.57% from P23.39 million as of December 31, 2016 to P26.33 million as of December 31, 2017 due to increase in landscaping contract service and facilities & building maintenance services during the period. Insurance expense also increased by P0.18 million or 26.87% from P0.67 million as of December 31, 2016 to P0.85 million as of December 31, 2017 due to property insurance for the period. Entertainment, amusement and recreation also showed an increase of P0.10 million or 18.22% due to increase in entertainment checks issued during the period.

## **NET INCOME**

For the year ended December 31, 2017, the Golf Club posted a total comprehensive income amounting to P1.81 million which showed an increase of P0.19 million or 11.73% as compared to comprehensive income of P1.62 million in the year ended December 31, 2016.

## **Financial Condition and Changes in Financial Condition**

### **30 September 2020 compared to 30 September, 2019**

#### **ASSETS**

The Club has total assets of P568.57 million as of September 30, 2020 compared to P559.64 million as of September 30, 2019. The Club has current ratio of P0.69 for each peso of current liabilities as of September 30, 2020 and P0.73 September 30, 2019.

#### **Cash and Cash equivalents**

Cash and cash equivalents decreased by P23.09 million or 28.35%, from P81.46 million as of September 30, 2019 to P58.36 million as of September 30, 2020 due to net cash provided by operating activities of P49.66 million. This was offset by the additions to property and equipment of P35.28 million and payments of advances to contractors of P11.22 million.

#### **Receivables**

Receivables increased by P29.22 million or 9305% from P31.41 million as of September 30, 2019 to P60.63 million as of September 30, 2020 mainly due to increase in receivables from members of P14.42 million or 67.16%, related parties also increased by P14.16 million or 222.99%, receivables to concessionaires by P0.17 million or 76.18% and advances for liquidation by P0.20 million or 9.47%.

#### **Prepaid Expenses and Other current assets**

Prepaid expenses and other current assets posted an increase of P2.96 million or 7.27% from P40.65 million as of September 30, 2019 to P43.61 million as of September 30, 2020 which represent the prepaid income tax (EWT) of P3.84 million or 10.40% increase and the unamortized portion of P6.22 million from payment made in annual real property tax for 2020.

### **Noncurrent assets**

Property and equipment increased by P3.94 million or 1.08% due to increase in facilities and equipment by P14.85 million or 4.58%, building and improvements also shows an increase by P14.54 or 17.10%, office, furniture, fixtures and equipment by P4.13 million or 6.31%, land improvement by P1.95 million or 0.36%, operating equipment by 1.54 million or 7.63%. Other noncurrent assets decreased by P3.99 million or 11.19% from P35.67 million as of September 30, 2019 to P31.68 million as of September 30, 2020 mainly due to decrease in advances to contractors and suppliers by P9.53 million or 84.89%.

### **LIABILITIES**

Total liabilities increased by P28.47 million or 12.76% from P223.07 million as of September 30, 2019 to P251.55 million as of September 30, 2020, mainly due to increase in related parties by P34.24 million or 34.46% and in payables to concessionaires by P1.53 million or 405.76% during the period.

### **EQUITY**

The Club's members' equity as of September 30, 2020 of P317.03 million decreased by P19.54 million or 5.81% compared to P336.57 million as of September 30, 2019 due to net income during the nine-month period ended September 2020.

## **December 2019 compared to December 2018**

### **ASSETS**

Total assets of the Golf Club increased by P51.60 million or 9.68% from P533.24 million as of December 31, 2018 to P584.84 million as of December 31, 2019. The Club has current ratio of P0.70 for each peso of current liabilities as of December 31, 2019 and December 31, 2018.

### **Cash and Cash equivalents**

Cash and cash equivalents increased by P3.05 million or 4.16%, from P73.23 million as of December 31, 2018 to P76.27 million as of December 31, 2019 due to cash used in investing and financing activities of P70.25 million. This was offset by net cash provided by operating activities of P73.47 million.

### **Receivables**

Receivables increased by P3.76 million or 10.52%, from P35.80 million as of December 31, 2018 to P39.56 million as of December 31, 2019, mainly due to the receivable from members.

### **Prepaid Expenses and Other current assets**

Prepaid expenses and other current assets posted an increase of P3.84 million or 10.22% from P37.60 million as of December 31, 2018 to P41.44 million as of December 31, 2019, due to the recognition of creditable withholding taxes arising from related-party receivable transactions.

### **Property and Equipment and Noncurrent assets**

Property and equipment increased by P41.00 million or 11.75% from P349.06 as of December 31, 2018 to P390.06 on December 31, 2019 due to depreciation amounted to P25.89. Deferred input VAT likewise increased by P2.01 million or 143.68% from P1.40 million as of December 31, 2018 to P3.41 million as of December 31 2019.

### **LIABILITIES**

Total liabilities increased by P30.75 million or 14.55%, from P211.28 million as of December 31, 2018 to P242.04 million as of December 31, 2019, mainly due to increase in total liabilities by P26.14 million or 13.00%, from P201.09 million as of December 31, 2018 to P227.23 million as of December 31, 2019 due increase of trade payables and related parties. Pension liability also increased by P4.69 million or 46.36% from P10.12 million as of December 31, 2018 to P14.81 million as of



December 31, 2019.

### **EQUITY**

The Golf Club's shareholders' equity as of December 31, 2019 of P342.81 million was higher by P20.85 million or 6.48% compared to P321.96 million as of December 31, 2018 due to total comprehensive income during the period 2019.

### **December 2018 compared to December 2017**

### **ASSETS**

Total assets of the Golf Club decreased by P0.47 million or 0.09% from P532.78 million as of December 31, 2017 to P533.24 million as of December 31, 2018. The Club has current ratio of P0.74 for each peso of current liabilities as of December 31, 2018 and December 31, 2017.

### **Cash and Cash equivalents**

Cash and cash equivalents decreased by P11.66 million or 13.74%, from P84.89 million as of December 31, 2017 to P73.22 million as of December 31, 2018 due to cash used in investing and financing activities of P32.24 million. This was offset by net cash provided by operating activities of P20.36 million.

### **Receivables**

Receivables increased by P5.63 million or 18.67%, from P30.17 million as of December 31, 2017 to P35.80 million as of December 31, 2018, mainly due to the receivable from members.

### **Prepaid Expenses and Other current assets**

Prepaid expenses and other current assets posted an increase of P6.42 million or 20.60% from P31.17million as of December 31, 2017 to P37.60 million as of December 31, 2018, due to the recognition of creditable withholding taxes arising from related-party receivable transactions.

### **Property and Equipment and Noncurrent assets**

Property and equipment decreased by P2.83 million or 0.81% from P351.89 as of December 31, 2017 to P349.06 on December 31, 2018 due to depreciation amounted to P26.36. Deferred input vat likewise decreased by P0.62 million or 30.80% from P2.02 million as of December 31, 2017 to P1.40 million as of December 31 2018.

### **LIABILITIES**

Total liabilities decreased by P3.25 million or 1.51%, from P214.53 million as of December 31, 2017 to P211.28 million as of December 31, 2018, mainly due to decrease in pension liability by P3.79 million or 27.26%, from P13.91 million as of December 31, 2017 to P10.12 million as of December 31, 2018. Accounts payables and other current liabilities also increased by P2.03 million or 1.03% from P198.00 million as of December 31, 2017 to P201.09 million as of December 31, 2018 due to payment made in other trade payables and related party.

### **EQUITY**

The Golf Club's shareholders' equity as of December 31, 2018 of P321.96 million was higher by P3.72 million or 1.17% compared to P318.24 million as of December 31, 2017 due to total comprehensive income during the period 2018.

## December 2017 compared to December 2016

### **ASSETS**

The Club has total assets of P532.78 million as of December 31, 2017 compared to P570.10 million as of December 31, 2016. The Club has current asset ratio of P2.67 for each peso of current liabilities as of December 31, 2017 compared to P0.69 as of December 31, 2016.

### **Cash and Cash equivalents**

Cash and cash equivalents increased by P44.83 million, from P58.64 million in 2016 to P84.89 million as of December 31, 2017 due to net cash provided by operating activities of P36.56 million. This was offset by cash used in investing and financing activities of P10.01 million.

### **Receivables**

Receivable decreased by P54.31 million or 62.97%, from P81.48 million in 2016 to P30.17 million as of December 31, 2017 due to continues effective collection process during the period.

### **Prepaid Expenses and Other current assets**

Prepaid expenses and other current assets posted an increase of P6.51 million or 22.57% from P28.84 million as of December 31, 2016 to P35.34 million as of December 31, 2017 which represent the current portion in deferred input vat capex amounting to P1.19 million, deposit to contractors of P1.86 million for the year 2017 and creditable withholding taxes amounting to P6.39 million for the year 2017.

### **Property and Equipment and Noncurrent assets**

Property and equipment decreased by P18.68 million or 5.04% due to depreciation expense of P29.16 million incurred during the period. Deferred input vat likewise decreased by P3.86 million or 57.98% from P5.89 million as of December 31, 2016 to P2.02 million as of December 31 2017.

### **LIABILITIES**

Total liabilities decreased by P39.14 million or 15.43% from P253.67 million as of December 31, 2016 to P214.53 million as of December 31, 2017, mainly due to decrease in accounts payables and other current liabilities by P41.77 million or 17.31% from P241.26 million as of December 31, 2016 to P199.49 million as of December 31, 2017 due to payment made in other trade payables and related party.

### **EQUITY**

The Golf Club's shareholders' equity as of December 31, 2017 of P318.24 million was higher by P1.81 million or 0.57% compared to P316.43 million as of December 31, 2016 due to total comprehensive income during the period 2017.

Below are the comparative five (5) key performance indicators of the Golf Club:

#### **Schedule of Financial Soundness Indicators**

Tagaytay Highlands International Golf Club, Inc.  
As of September 30, 2020, December 31, 2019 and 2018

<i>Performance Indicators</i>	<i>Formula for Calculation</i>	<i>September 30, 2020 (Unaudited)</i>	<i>December 31, 2019 (Audited)</i>	<i>December 31, 2018 (Audited)</i>
Current ratio	Current assets over current liabilities	0.69 : 1.00	0.70 : 1.00	0.74 : 1.00

Performance Indicators	Formula for Calculation	September 30, 2020 (Unaudited)	December 31, 2019 (Audited)	December 31, 2018 (Audited)
Acid Test Ratio	Quick Assets (Total current assets less inventories and other current assets) over total current liabilities	0.50 : 1.00	0.51 : 1.00	0.54 : 1.00
Solvency Ratio	Net income(loss) before depreciation over total liabilities	0.02 : 1.00	0.20 : 1.00	0.13 : 1.00
Liabilities to equity ratio	Total liabilities over total members' equity	0.79 : 1.00	0.71 : 1.00	0.66 : 1.00
Asset-to-Equity ratio	Total Assets over Total Equity	1.79 : 1.00	1.71 : 1.00	1.66 : 1.00
Interest rate coverage period	Income from operations before depreciations over interest expense	6,655.43 : 1.00	2,297.18 : 1.00	451.60 : 1.00
Return on Equity	Net Income(Loss) over average Member's Equity	-0.07 : 1.00	0.12 : 1.00	0.01 : 1.00
Return on Assets	Net Income over total Assets	-0.04 : 1.00	0.04 : 1.00	0.004 : 1.00
Net Profit Margin (Profitability Ratio)	Net Income over Net Sales	-0.24 : 1.00	0.11 : 1.00	0.02 : 1.00
EBITDA * per share	Excess of Revenue Over Expenses before Interest, Tax, Depreciation and Amortization over weighted average number of shares	P1,671.87	P17,511.21	P9,766.31

\* Excess of Revenue Over Expenses before Interest, Tax, Depreciation and Amortization (EBITDA).

As of the second quarter ended June 30, 2020, except for what has been noted in the preceding, there were no material events or uncertainties known to management that had a material impact on past performance, or that would have a material impact on future operations, in respect of the following:

- i. Known trends, demands, commitments, events or uncertainties that would have a material impact on the Golf Club ;
- ii. Events that will trigger direct or contingent financial obligation that is material to the Golf Club, including any default or acceleration of an obligation;

- iii. Material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Golf Club with unconsolidated entities or other persons created during the reporting period;
- iv. Material commitments for capital expenditures that are reasonably expected to have a material impact on the Golf Club's short-term or long-term liquidity;
- v. Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations;
- vi. Significant elements of income or loss that did not arise from the Golf Club's continuing operations;
- vii. Seasonal aspects that had a material impact on the Golf Club's results of operations; and
- viii. Material changes in the financial statements of the Golf Club from the year ended December 31, 2019, except as reported in the MD&A.

### **Disagreements with Accountants on Accounting and Financial Disclosure**

No principal accountant or independent accountant of the Golf Club has resigned, was dismissed or has ceased to perform services during the calendar year covered by this report.

There was no disagreement with the accountants on any matter of accounting principles or practices, financial statement disclosures, or auditing scope procedure.

### **Mergers, Consolidations, Acquisitions and Similar Matters**

(a) There is no action to be taken with respect to any transaction involving the following:

1. the merger or consolidation of the registrant into or with any other person or of any other person into or with the registrant;
2. the acquisition by the registrant or any of its security holders of securities of another person;
3. the acquisition by the registrant or any other going business or of the assets thereof;
4. the sale or other transfer of all or any substantial part of the assets of the registrar; or
5. the liquidation or dissolution of the registrant.

### **ACQUISITION OR DISPOSITION OF PROPERTY**

There is no action to be taken with respect to the acquisition or disposition of any property.

### **RESTATEMENT OF ACCOUNTS**

There is no action to be taken with respect to the restatement of any asset, capital, or surplus account of the Golf Club.

## **DISCUSSION ON CORPORATE GOVERNANCE**

The Golf Club maintains its commitment to the adoption of systems and practices of good corporate governance in enhancing value for its shareholders.

In compliance with the initiative of the Securities and Exchange Commission ("SEC"), The Golf Club submitted its Revised Corporate Governance Manual (the "Manual") to the SEC on September 30, 2020, in compliance with the Code of Corporate Governance for Public Companies and Registered Issuers (SEC Memorandum Circular No. 24, Series of 2019) issued by the SEC on December 19, 2019, and made effective on January 12, 2020. This manual institutionalizes the principles of good corporate governance in the entire Golf Club. The Golf Club believes that corporate governance, the framework of rules, systems and processes governing the performance of the Board of Directors and Management of their respective duties and responsibilities, and from which the organization's values and ethics emerge, is of utmost importance to the Golf Club's shareholders and other stakeholders, which include, among others, clients, employees, suppliers, financiers, government and community in which it operates. The Golf Club undertakes every effort possible to create awareness throughout the entire organization.

The Board establishes the major goals, policies and objectives of the Golf Club, as well as the means to monitor and evaluate the performance of Management. The Board also ensures that adequate internal control mechanisms are implemented and properly complied in all levels.

The Golf Club is not aware of any non-compliance with its Manual on Corporate Governance, by any of its officers or employees.

**UNDERTAKING TO PROVIDE COPIES OF THE ANNUAL REPORT**

**UPON WRITTEN REQUEST OF ANY SHAREHOLDER OF RECORD ENTITLED TO NOTICE OF AND VOTE AT THE MEETING, THE COMPANY SHALL FURNISH SUCH SHAREHOLDER WITH A COPY OF THE COMPANY'S ANNUAL REPORT (SEC FORM 17-A) WITHOUT CHARGE. ANY SUCH WRITTEN REQUEST SHALL BE ADDRESSED TO:**

THE CORPORATE SECRETARY  
TAGAYTAY HIGHLANDS INTERNATIONAL  
GOLF CLUB, INC.  
TAGAYTAY HIGHLANDS COMPLEX,  
BRGY. CALABUSO, TAGAYTAY CITY