

COVER SHEET

A S O 9 5 0 0 7 8 2 7  
S.E.C. Registration Number

T H E C O U N T R Y C L U B A T T A G A Y T A Y  
H I G H L A N D S , 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 A R A N G A Y C A L A B U S O T A G A Y T A Y C I T Y  
(Business Address: No. Street City / Town / Province)

ANN MARGARET K. LORENZO  
Contact Person  
63-0905/10  
Company Telephone Number

1 2 - 3 1  
Month Day  
Fiscal Year  
Month Day  
Annual Meeting

S E C F O R M 2 0 - I S  
( D E F I N I T I V E )

Secondary License Type, If Applicable

Dept. 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 there will be an annual meeting of the stockholders of **The Country Club at Tagaytay Highlands, Inc.** (the "Corporation") on **18 October 2021, Monday**, at 10:30 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<sup>1</sup>

1. Call to Order
2. Proof of Notice of Meeting 0067
3. Certification of Quorum
4. Approval of the Minutes of the Previous Meeting of Stockholders
5. Approval of 2020 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 **18 September 2021, Saturday** as the record date for the determination of the stockholders entitled to 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 **01 October 2021, Friday until 11 October 2021, Monday**, 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 **18 October 2021, Monday**. 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 to [membership.th@tagaytayhighlands.com](mailto:membership.th@tagaytayhighlands.com) on or before 5:30 p.m. on **14 October 2021, Thursday**. 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 **15 October 2021**, 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, **21 September 2021**.

  
**ANN MARGARET K. LORENZO**  
Assistant Corporate Secretary

<sup>1</sup> See next page for the explanation for each agenda item.

## **RATIONALE FOR AGENDA ITEMS**

### **Agenda Item No. 4. Approval of the Minutes of the Previous Meeting of Stockholders held last 11 December 2020**

Copies of the Minutes of the 2020 Annual Stockholders' Meeting held on 11 December 2020 will be circulated prior to the 2021 Annual Stockholders' Meeting, together with the Information Statement. Stockholders will be asked to approve the Minutes of the 2020 Annual Stockholders' Meeting as recommended by the Board of Directors.

### **Agenda Item No. 5. Presentation of 2020 Operations and Results**

A report on the highlights of the performance of the Corporation for the year ended 2020, together with a summary of the 2020 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 last Stockholders Meeting held on 11 December 2020 up to the date of this stockholders' meeting (18 October 2021) shall be presented for confirmation, approval, and ratification.

### **Agenda Item No. 7. Election of Directors for 2021 to 2022**

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 18 October 2021 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 appointment of Reyes Tacandong & Co. as the Corporation's External Auditor for 2021. The Stockholders will also be requested to delegate to the Board the authority to approve the appropriate audit fee for 2021.

## PROXY FORM

The undersigned stockholder of The Country Club at Tagaytay Highlands, 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 **18 October 2021** 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. Willy N. Ocier
- 1.1.2. Jerry C. Tiu
- 1.1.3. Hans T. Sy
- 1.1.4. Manuel B. Sy (Independent Director)
- 1.1.5. 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 2020 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 October 2021.

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

5. Appointment of Reyes

Tacandong & 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 need not be notarized, and when properly executed, will be voted in the manner as directed herein by the stockholder(s). If no direction is made, this Proxy will be voted "for" the election of all nominees and for the approval of the matters stated above and for such other matters as may properly come before the meeting in the manner described in the Information Statement and/or as recommended by Management or the Board of Directors. A stockholder giving a proxy has the power to revoke it at any time before the right granted is exercised.

A proxy is also considered revoked if the stockholder attends the meeting in person and expressed his intention to vote in person.

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 of The Country Club at Tagaytay Highlands, Inc. ("Country 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 Country 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 Country 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 Country Club be furnished with a certified copy of this resolution and the Country 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 2021.

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

# THE COUNTRY CLUB AT TAGAYTAY HIGHLANDS, INC. 2021 ANNUAL STOCKHOLDERS' MEETING

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

The Board of Directors of The Country Club at Tagaytay Highlands, Inc. (the “**Club**”) has set the date of the Club's 2021 Annual Stockholders' Meeting (**ASM**) on 18 October 2021 at 10:30 A.M. The end of business day on **18 September 2021** (“**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 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 until **October 11, 2021, Monday, 5:30 P.M.**

To register, the stockholders must send an e-mail to [membership.th@tagaytayhighlands.com](mailto:membership.th@tagaytayhighlands.com) and submit 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 Club with the foregoing documents for the purpose of validating credentials and registration to participate and vote at the 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 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 (5 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 from **01 October 2021 (Friday)** until 9:00 in the morning of **12 October 2021 (Tuesday)**.

### **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.

### **OPEN FORUM**

During the virtual meeting, after all items in the agenda have been discussed, the Club will have the Question and Answer Portion, during which, the meeting's moderator will read and where representatives of the 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 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: **The Country Club at Tagaytay Highlands, Inc.**  
(the "Country Club" or "TCCATHI")
3. **Tagaytay Highlands Complex, Brgy. Calabuso, Tagaytay City, Philippines**  
Province, country or other jurisdiction of incorporation or organization
4. SEC Identification Number: **007827**
5. BIR Tax identification Code: **004-734-253-000**
6. Address of principal office: **Bo. Calabuso, Tagaytay City** Postal Code: **4120**
7. Registrant's telephone number, including area code: **(046) 483-0848**
8. Date, time and place of the meeting of security holders:
- Date: **18 October 2021**  
Time: **10:30 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: **27 September 2021**
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):
- | Title of Each Class                   | No. of shares of Common Stock<br>Outstanding as of 31 August 2021 |
|---------------------------------------|---|
| Proprietary Shares - ₱1,000 par value | <b>5,000</b>  |
11. Are any or all registrant's securities listed on a Stock Exchange?  
Yes  No

## GENERAL INFORMATION

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

DATE: **18 October 2021**

TIME: **10:30 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: **27 September 2021**

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

The matters to be voted upon in the Annual Stockholders' Meeting on **18 October 2021** 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 of the corporate property and assets as provided in the Corporation Code;
3. In case the Company 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 Country Club or associate of such persons, have a substantial interest, direct or indirect in any matter to be acted upon.
- b. No director of the Country Club has informed the Country Club in writing that he intends to oppose any action to be taken by the Country Club at the meeting.

### **CONTROL AND COMPENSATION INFORMATION**

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

- a. The Country Club has **5,000** outstanding shares as of **31 August 2021**. 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 **18 September 2021**.
- c. In the forthcoming annual stockholders' meeting, stockholders shall be entitled to elect five (5) members to the Board of Directors. Each stockholder may vote such number of shares for as many as five (5) 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 five (5) 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 five (5).
- d. Security Ownership of Certain Record and Beneficial Owners

## 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 Country Club as of **31 July 2021**:

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> 5th Flr., Tower A., Two E-Com Center, Palm Coast Avenue, Mall of Asia Complex, Pasay City, Metro Manila, Philippines	Same as record owner	Filipino	2,322 shares	46.44%
Proprietary Share	Ivory Holdings**		Filipino	267 shares	5.34%

\*Belle Corporation is a publicly-listed corporation. Its Board of Directors is composed of Messrs. Willy N. Ocier, Elizabeth Anne C. Uychaco, Emilio S. De Quiros Jr., Manuel A. Gana, Jacinto C. Ng Jr., Jose T. Sio, Jr., Virginia A. Yap, Gregorio U. Kilayko, Amando M. Tetangco, and Cesar E. A. Virata. Belle Corporation, having 46.44% shareholdings, is an associate of the Club.

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

\*\*Mr. Joseph Chua or, in his absence, the Chairman of the stockholders' meeting have been designated by Ivory Holdings Inc. to vote for and on its behalf. The top 20 stockholders of Ivory Holdings, Inc. is not known to the Country Club.

The top 20 stockholders of Ivory Holdings, Inc. is not known to the Country Club.

The top 20 stockholders of Belle Corporation as of **30 June 2021** 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	1,999,343,767
4.	Sysmart Corporation	Common	1,629,355,469
5	Sybase Equity Investments Corporation.	Common	531,320,577
6	Social Security System	Common	442,402,786
7	Ng, Jacinto C. Jr.	Common	135,860,666
8	Eastern Securities Dev. 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 Securities Devt. Corp.	Common	50,000,000
14	F. Yap Securities, Inc.	Common	57,803,732
15	Willy N. Ocier	Common	32,092,709
16	Ng, Jacinto C. Jr. and/or Ng, Anita C.	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 or Philip K. Yap	Common	3,500,000

## Security Ownership of Management

The following is a tabular presentation of the shares beneficially owned by all directors, executive officers, and nominees of the Country Club as of **31 July 2021**:

TITLE OF CLASS	NAME OF BENEFICIAL OWNER	AMOUNT AND NATURE OF OWNERSHIP	CITIZENSHIP	PERCENT OF CLASS
Proprietary Share	<b>Willy N. Ocier</b> [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	<b>Hans T. Sy</b> [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	<b>Jerry C. Tiu</b> [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	<b>Ruben C. Tan</b> [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	<b>Manuel B. Sy</b> [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	<b>Joseph T. Chua</b> [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	<b>A. Bayani K. Tan</b> [REDACTED]	2 share/Beneficial	Filipino	0.04%
Aggregate Security Ownership of Directors and Officers		8 shares		0.16%

Note:

\*Mr. Manuel B. Sy to replace Mr. Joseph Chua as Independent Director.

### 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 Country Club's voting securities.

### Changes in Control

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

## ITEM 5. DIRECTORS AND EXECUTIVE OFFICERS

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

The following are the incumbent Directors of the Club, who, except for Mr. Joseph T. Chua,

are nominated for re-election as members of the Board of Directors for 2021-2022:

NAME	NATIO-NALITY	POSITION	AGE	TERM OF OFFICE
Willy N. Ocier	Filipino	Director & Chairman	64	1992 to present
Hans T. Sy	Filipino	Director	65	1992 to present
Jerry C. Tiu	Filipino	Director & President	64	2001 to present
Joseph T. Chua	Filipino	Independent Director	65	2008 to present
Ruben C. Tan	Filipino	Independent Director	65	2018 to Present

The following are the incumbent officers of the Club:

NAME	NATIO-NALITY	POSITION	AGE	TERM OF OFFICE
Willy N. Ocier	Filipino	Chairman	64	1992 to present
Jerry C. Tiu	Filipino	President	64	2001 to present
A. Bayani K. Tan	Filipino	Corporate Secretary	65	1992 to present
Manuel A. Gana	Filipino	Vice President / Treasurer	64	2000 to present
Ma. Clara T. Kramer	Filipino	General Manager	60	2010 to present

Upon recommendation of the Country Club's Corporate Governance Committee composed of Mr. Joseph T. Chua (Chairman), Ruben C. Tan and Hans T. Sy, as required by the Country Club's Manual of Corporate Governance, the following persons are nominated for election to the positions above-stated for the year 2021-2022, to hold office as such for one year or until their successors shall have been duly elected and qualified.

The candidates for independent directors, Mr. Ruben C. Tan and Mr. Manuel B. Sy, were nominated by Mr. Willy N. Ocier and Mr. A. Bayani K. Tan, respectively. Except as fellow stockholders of the Country 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:

#### **WILLY N. OCIER**

Chairperson

Mr. Ocier is the Chairman of the Board of the Country Club since 1996. Likewise, he is the Chairman of the Board of The Spa and Lodge at Tagaytay Highlands, Inc. (TSL) since 1996, and Tagaytay Midlands Golf Club, Inc. (TMGCI). He is also the Vice Chairman of the Board of Tagaytay Highlands International Golf club, Inc. (THIGCI) from 1992 up to present. He is also Co-Vice Chairman of 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**

Director/President

Mr. Tiu, Filipino, 64, is the President of the Country Club since 2000. He is also an Independent Director of Philippine Global Communications, Inc. since 2009. He is the President and a Director of Tagaytay Highlands Golf Club, 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 also works as president and director in Macroasia corporation, PAL holdings Inc., LTG Inc., Eton Properties Philippines Inc., Philippine National Bank and in PNB General Insurers Co, Inc. 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.

**HANS T. SY**

Director

Mr. Sy is the Director of the Country Club since 1996. He is also the Chairman of the Board of THIGCI and a Director of TMGCI from 1992 up to present. Currently, he is the Chairman of the Executive Committee of SM Prime Holdings, Inc. where he has been a Director since 1994, and served as its 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 Bachelor of Science in Mechanical Engineering Graduate of De La Salle University.

**RUBEN C. TAN**

Independent Director

Mr. Tan is an Independent Director of the Country Club, as well as TMGCI, THIGCI and TSL. Likewise, he is the Director of Blue Ridge Mineral Corporation and Eagle Crest Mining & Development Corporation from 2012 up to present. He is also the President of Glendale Mining & Development Corporation (1997-Present), Citimex, Inc. (1984-Present), Cedarside Industries, Inc. (1996-Present), and Barrington Carpets, Inc. (1989-Present). Mr. Tan holds a Bachelor of Science degree in Mechanical Engineering from De La Salle University.

**MANUEL B. SY**

Independent Director

Nominee

Mr. Sy, Filipino, 64 years old, is an Independent Director of the Country Club, as well as TMGCI. He is the president and CEO of New Golden City Builders & Development Corporation since 1987 to present. Likewise, in Citigold Resources and Development Corporation. He is also works in Sonata Builders as project engineer, he graduated as Bachelor of Science in Civil Engineering in Mapua Institute of Technology (1975-1980).

## **Key Officers**

### **A. BAYANI K. TAN**

Corporate Secretary

Mr. A. Bayani K. Tan, 65, Filipino, is the Corporate Secretary of the Corporation (since August 1995). He is also a Director, Corporate Secretary or both of the following reporting and/or listed companies: Coal Asia Holdings, Inc. (since July 2012, Publicly-Listed), Discovery World Corporation (since March 2013, Publicly-Listed), Sterling Bank of Asia Inc (A Savings Bank) (since December 2006), Tagaytay Highlands International Golf Club, Inc. (since November 1993), Tagaytay Midlands Golf Club, Inc. (since June 1997), and The Spa and Lodge at Tagaytay Highlands, Inc. (since December 1999). He is a 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**

Vice President / Treasurer

Mr. Gana is the Vice President and Treasurer of the Country Club (2000-present). Likewise, he is the Director and Treasurer of Tagaytay Highlands International Golf Club, Inc. 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.

### **MA. CLARA T. KRAMER**

General Manager

Ms. Kramer is the General Manager of the Country Club since 2010. She is also the concurrent General Manager of THIGCI, TMGCI, TSL, THCCAI, TMCHAI, GCHAI, THPCCOAI, THHCCOAI, and THTHCHAI. She serves as the Business Unit Head and Senior Vice-President of Tagaytay



Highlands Estate (Belle Corporation). 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 on 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 **31 August 2021**, there is no material pending legal proceedings to which the Country Club is a party to.

**c. Significant Employees**

The Country Club has no significant employees.

**d. Family Relationships**

There are no family relationships up to the fourth civil degree either by consanguinity or affinity among the directors, executive officers, or persons nominated by the Country Club to become directors or executive officers of the Country Club.

**e. Involvement in Certain Legal Proceedings**

The Country 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 such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- (b) Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- (c) Being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and
- (d) Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

**f. Certain Relationships and Related Transactions**

The Country Club has not been involved in any transaction during the last three (3) years in which any of its directors, executive officers, nominees or security holders has direct or indirect

material interest.

Belle Corporation owns 2,322 shares or 46.44% of the total outstanding shares of the Country 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 date of the last annual meeting of security holders because of a disagreement with the Country Club on any matter relating to the Country Club's operations, policies or practices.

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

Except for the General Manager and President, the Directors do not receive any form of compensation from the Country Club. None of the Directors receive per diem from the 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	2021*	P 3,049,000.00		
	2020	P 2,904,615.00		
	2019	P 2,838,924.00		

*\*estimated amounts*

*\*\*They are the only top compensated Executives or Directors of the Country Club.*

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

**ITEM 7. INDEPENDENT PUBLIC ACCOUNTANTS**

The Corporation's Audit Committee has recommended, and the Board of Directors has endorsed the recommendation for approval by the shareholders, that the auditing firm of Reyes Tacandong & Co. (RTC) be engaged and appointed as the Corporation's External Auditor beginning 2021. The stockholders will also be requested to delegate to the Board/Executive Committee the authority to approve the appropriate audit fee for 2021.

Previously, SyCip Gorres Velayo & Co. (SGV) rendered the same services for the Corporation, with Mr. Bienvenido M. Rebullido II assigned as SGV's engagement partner for the Club.

The change in external auditors has been proposed to comply with the policy on rotation of external auditors as well as to align the Corporation with the other member-companies under the Belle

Corporation Group which will also be audited by Reyes Tacandong & Co.

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.

## **OTHER MATTERS**

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

The Country 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) Certification of Notice & Quorum, (3) Approval of the Minutes of the Last Stockholders' Meeting, (4) Approval of Audited Financial Statements and Annual Report, (5) Ratification of all Acts of the Board of Directors and Officers, (6) Election of Directors, (7) Appointment of SyCip, Gorres, Velayo & Co. as External Auditors, (8) Adjournment, and (9) Other Matters.

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. Approval of Corporate's Audited Financial statement for 2020
2. Budget of Capital Expenditure and Other Project
3. Resignations and Appointments of Officers.
4. Appointment of Authorized Representatives with the BIR and other various agencies; and
5. Declaration of Delinquent Shareholders and Scheduling of Delinquency Sale.

Management reports which summarize the acts of management for the year 2020 are included in the Country 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.

Management reports will be submitted for approval by the stockholders at the meeting. Approval of the reports will constitute approval and ratification of the acts of management for the past year.

### **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 five (5) 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 to [membership.th@tagaytayhighlands.com](mailto:membership.th@tagaytayhighlands.com) on or before 5:30 p.m. on 4 October 2021, Thursday.

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 October 12, 2021, Thursday. The votes for or against the matter submitted shall be tallied by the Secretary.

*Items 8, 9, 10, 11, 12, 13, 14, 16, 17 and 18 are not responded to in this report, the Country 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 Tagaytay on 13 September 2021.

**THE COUNTRY CLUB AT TAGAYTAY  
HIGHLANDS, INC.**

By:



**JERRY C. TIU**  
President



## **THE COUNTRY CLUB AT TAGAYTAY HIGHLANDS, INC. BUSINESS AND GENERAL INFORMATION**

### ***The Business***

The Country Club at Tagaytay Highlands, Inc. (Country Club) was incorporated in 1995 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. It is a self-contained community set on a ridge in Tagaytay City which is located approximately 60 kilometers south of Metro Manila and situated on a 7-hectare land below the 18-hole par-71 international championship golf course of Tagaytay Highlands International Golf Club Inc. (THIGCI).

Sale of membership shares to the public started in November 1995 but the Country Club officially opened for business in March 1996. Majority of members are private individuals (about 87.45%) most of which are Filipino nationals and citizens and the remaining 12.55% are corporate members. Members of the THIGCI were given preference to purchase the first few shares before they were offered to the public. The Country Club derives its revenues and other income from the monthly dues (53%), restaurant patronage (25%), recreational facilities (2%), room sales (1%), and other income (19%). Collection of monthly dues started in March 1996 at ₱750 per member and was subjected to gradual increases. The following are the monthly dues with the respective periods wherein the increase became effective: ₱1,500 in June 1996, ₱2,000 in January 1998, ₱2,300 in April 2001, ₱2,500 in April 2004, ₱3,100 in January 2006, ₱3,600 in January 2010, ₱4,200 in September 2012, and ₱4,700 in January 2019. Starting March 2020, membership dues was adjusted to ₱4,250 due to the VAT exemption.

Sale of food and beverage through the Country Club's restaurants is a major source of income contributing to about 31% of total revenues in 2020. The different specialty restaurants offer a wide array of cuisines (Filipino, Chinese, Italian, Japanese, Korean and Western) which are sure to satisfy everyone's palate.

Part of the Country Club's commitment to members was also to provide sports and recreational facilities. Prior to the Country Club's opening in March 1996, the outdoor facilities like the tennis courts, fishing pier, mini-golf course, horseback bridle path and the children's playground were already available to members. In July 1996, the two-level Sports Center was officially opened. This houses a 14-lane bowling facility, indoor lap pool, basketball court, badminton court, game room, spas, gym, and a Kidsports - children's play area. In December 1996, major portions of the camping ground called Camp Highlands were also completed and ready to accept members who wish to stay overnight or simply to cool off in the swimming pools. In addition to the aforesaid developments, the Animal Farm and Highlands Cinema were opened in 1997. However, as of the end of fiscal year 2010, the Highlands Cinema is no longer operational.

The wide array of facilities and the continuing developments in the Country Club are important considerations for members to retain membership with the Country Club and for some to speculate increase in market value of their shares. In 2002, the Country Club's operations include accommodation facilities at the Cottage Grove and Cowboy Cabins available to members and their guests. New sports facilities were also introduced such as the Sporting Arrow, All-terrain vehicle trail, Archery and Aerial Walk. The Club has completed its renovation of the following facilities in 2019: Sports Center, Highlander Steakhouse, Highlands China Palace, Country Club Veranda, Akasaka, Camp Highlands, Gourmet Avenue, Peak Bar, Country Clubhouse, Holy Family Chapel, Genghis Khan, and Trellis.

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

The Country Club has 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 Country Club has 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 Country Club who may wish to sell or dispose of their shares 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 Country 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 Country Club competes in terms of service and facilities. The Country Club is highly competitive because of its wide array of facilities which includes world-class sports and recreational facilities, specialty restaurants and bars offering different cuisines (Filipino, Chinese, Italian, Japanese, Korean, and Western) and accommodation facilities.

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

The Country Club's principal suppliers include Werdenberg International Corporation, ESV International Corp., RGL33 Fruits and Vegetable Dealer, JC Seafoods Supply, Delos Reyes Trading, and Sanford Marketing Corporation. There is no existing major supply contracts entered into by the Country Club.

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

In the ordinary course of business, the Country Club has transactions with related parties which consist mainly of charges for affiliate's usage of Country Club's facilities and services. This is also comprised of reimbursement of certain operating expenses such as utilities, contract services and repairs and maintenance from related parties.

***Government Regulations***

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

***Compliance with Environmental Laws***

The Country 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 Country Club has constructed a Sewerage Treatment Plant for treatment of waste products and reuse in its animal farm and golf course. The Country Club has also adopted the process of decomposing biodegradable waste products which are converted as fertilizers for the garden.

**Employees**

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

Regular Employees (based on head count as of 30 June 2021)

GM & Department Heads	32
Supervisors	40
Rank and File	<u>45</u>
Total	117

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 Tagaytay Highlands International Golf Club, Inc. and Tagaytay Midlands Golf Club, Inc.

There has been no strike brought about by the Country Club's employees in the past twenty-one (21) years.

**Major Business Risks**

The Country Club has been sustaining its operational requirements through the collection of monthly dues from each member and the operation of restaurants and sports & recreation facilities. The Country 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 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 Country Club has authorized and subscribed 5,000 proprietary shares, of which 46.44% is owned by Belle Corporation and the remaining shares are owned by other Country Club members. There are 2,424 holders of the Country Club's proprietary shares.

#### Top 20 shareholders are as follows:

NAME OF STOCKHOLDER	NO. OF SHARES	%
Belle Corporation	2,322	46.44%
Ivory Holdings, Inc.	267	5.34%
Highlands Prime Inc.	92	1.84%
Jollibee Foods Corporation	14	0.28%
Camara, Feliciano G.	6	0.12%
APC Group Inc.	6	0.12%
First Gas Holdings Corp.	4	0.08%
Pilipino Star Printing Co., Inc.	3	0.06%
S. P. Properties, Inc.	3	0.06%
OTHERS	2,283	45.66%
Total	5,000	100.00%

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

	HIGH	LOW
Quarter ended March 2018	200,000	150,000
Quarter ended June 2018	160,000	135,000
Quarter ended September 2018	160,000	130,000
Quarter ended December 2018	150,000	130,000
Quarter ended March 2019	170,000	120,000
Quarter ended June 2019	200,000	120,000
Quarter ended September 2019	200,000	150,000
Quarter ended December 2019	150,000	150,000
Quarter ended March 2020	150,000	150,000
Quarter ended June 2020	150,000	150,000
Quarter ended September 2020	170,000	170,000
Quarter ended December 2020	190,000	160,000
Quarter ended March 2021	350,000	150,000
Quarter ended June 2021	350,000	120,000

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

### Dividends

The Country Club Is a non-profit corporation and as such, does not declare dividends to its shareholders. In accordance with the Country 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 Country 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.

### Management's Discussion and Analysis

The Country Club derived its revenues from membership dues, food and beverage sales, and income from recreational facilities.

#### Financial Highlights

(In Million Pesos)

	<u>Jun 30</u> <u>2021</u>	<u>Dec 31</u> <u>2020</u>	<u>Dec 31</u> <u>2019</u>	<u>Dec 31</u> <u>2018</u>
<b>Balance Sheet</b>				
Total Assets	688.96	684.51	737.70	674.51
Total Liabilities	151.25	154.75	197.54	142.76
Total Members' Equity	537.70	529.75	540.16	531.76
<b>Income Statement</b>				
Total Revenues	111.34	200.74	334.79	315.41
Total Cost and Operating Expense	103.39	247.24	266.87	262.62
Depreciation and amortization	28.29	60.82	50.64	46.72
Net Income/(Loss)	7.94	(7.34)	15.08	3.23

## RESULTS OF OPERATIONS

### Six-Month Period Ended June 30, 2021 compared to June 30, 2020

The Club revenue contributions are generated from collection of members' dues (54%), food and beverage operations (36%), income from sports & recreation facilities (1%), room sales (1%), transfer and assignment fees (4%) and other income (4%).

#### REVENUE

For the six-month period ended June 30, 2021, the Club's performance showed an increase in total revenue amounting to ₱26.92 million or 31.89%, from ₱84.41 million in 2020 to ₱111.34 million in 2021. This is caused by higher revenues from food, beverage, and sundries of ₱28.90 million or 264.71%, membership transfer fees of ₱4.00 million or 536.00%, and room sales of ₱0.64 million or 93.13% because of more relaxed community quarantine compared to the same period in 2020. This is offset

by decrease in other income amounting to ₱6.76 million or 65.82% which mainly pertains to the insurance claim in the previous year.

### **COST AND OPERATING EXPENSE**

Cost and operating expenses decreased by ₱0.49 million or 0.47%, from ₱103.88 million for the six-month period ended June 30, 2020, to ₱103.39 million for the same period in 2021. This is the result of lower depreciation expense of ₱4.18 million or 12.84%, salaries, wages and employee benefits of ₱3.89 million or 15.98% as a result of retrenchment of employees in the last quarter of 2020, repairs and maintenance of ₱2.89 million or 33.75%, share on common expenses among the three clubs of ₱1.12 million or 32.56%, outside services of ₱0.78 million or 12.00%, food and beverage spoilage of ₱0.75 million or 79.44%, commission expense of ₱0.72 million or 100.00%, and laundry expense of ₱0.10 million or 15.50%. This is offset by higher costs of food, beverages, and sundry of ₱14.92 million or 276.15% in relation to the increase in corresponding revenue.

### **NET INCOME / (LOSS)**

As a result, the Club registered a net income of ₱7.95 million for the six-month period ended June 30, 2021, in comparison to the net loss of ₱20.64 million for the same period in 2020.

## **December 31, 2020 compared to December 31, 2019**

### **Revenue**

The Country Club generated total revenue and other income amounting to ₱200.65 million for the year ended December 31, 2020 as compared to ₱334.79 million for the year ended December 31, 2019, a decline of 40.07%. This is caused by lower revenues from food, beverage and sundries of ₱98.81 million or 64.11%, recreational facilities of ₱13.58 million or 80.22%, room sales of ₱12.86 million or 84.15%, and membership transfer and assignment fees of ₱5.14 million or 57.70% as a 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 Country tournament, wedding and corporate events. On the contrary, membership dues are higher by ₱2.07 million or 1.78% because of increase in the number of members.

### **Cost and Operating Expense**

Cost and operating expenses for the twelve months period ended December 31, 2020 amounted to ₱208.05 million, a decrease of ₱109.45 million or 34.47% compared to ₱317.51 million in the same period in 2019. This is the result of lower costs of food, beverages and sundry of ₱30.66 million or 53.37%, salaries, wages and employee benefits of ₱15.17 million or 25.41%, commission of ₱14.85 million or 95.38%, repairs and maintenance of ₱12.23 million or 51.10%, communication, light and water of ₱9.97 million or 43.09%, banquet expense of ₱7.50 million or 84.60%, service charge expense of ₱6.56 million or 94.65%, outside services of ₱4.54 million or 27.22%, club events of ₱4.23 million or 92.68%, and supplies of ₱3.60 million or 41.39% in relation to the decrease in corresponding revenues.

### **Net Income**

As a result, the Club registered a net loss of ₱7.34 million for the twelve-month period ended December 31, 2020 in comparison to the net income of ₱15.08 million for the same period in 2019.

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

### **Revenue**

The Country Club generated total revenue and other income amounting to ₱334.79 million for the year ended December 31, 2019 as compared to ₱315.41 million for the year ended December 31, 2018, an improvement of 6.14%. Major contributors to the Club's revenues were derived from increase in membership dues of ₱14.05 million or 13.72%, from ₱102.39 million in 2018 to ₱116.44 million

in 2019, pertaining to the increase in the amount of monthly dues. Likewise, food and beverage revenue are higher by ₱9.13 million or 6.30% due to increase in patronage as a result of introduction of new food offerings and rewards program.

### **Cost and Operating Expense**

Cost and operating expenses for the twelve months period ended December 31, 2019 amounted to ₱317.51 million, an increase of ₱8.63 million or 2.80% compared to ₱308.87 million in the same period in 2018. This is mainly attributed to increases in food, beverages and sundry costs of ₱10.53 million or 22.44% and club events expense of ₱2.31 million or 102.50% corresponding to increase in its related revenue derived from the events being held at the club, repair and maintenance of ₱4.43 million or 22.72% and depreciation of ₱4.39 million or 9.49% due to renovations and additional properties. On the other hand, there are decreases in salaries, wages and employee benefits of ₱7.09 million or 10.61% due to resignation of department heads and termination of project employees, outside services of ₱3.11 million or 15.74% due to termination and non-renewal of some contracts, supplies of ₱1.19 million or 12.01%, commission expense of ₱0.85 million or 5.15%, and banquet expense of ₱0.76 million or 7.86%.

### **Net Income**

As a result, the Club posted a net income of ₱15.08 million for the twelve-month period ended December 31, 2019 in comparison to the net income of ₱3.23 million for the same period in 2018.

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

### **Six-month period ending June 30, 2021 compared to June 30, 2020**

#### **ASSETS**

The Club has total assets of ₱688.96 million as of June 30, 2021, compared to ₱728.46 million as of June 30, 2020. The Club remains to have current assets of ₱0.76 for each peso of current liabilities as of June 30, 2021, then ₱0.58 same as of June 30, 2020. The increase in current ratio is due to the increase in cash and cash equivalents and decreased in accounts payable and other current liabilities.

#### **Cash and Cash Equivalent**

Cash and cash equivalents increased by ₱8.13 million or 52.00% from ₱17.35 million as of June 30, 2020, to ₱25.49 million as of June 30, 2021. This is the result of the net cash inflows provided by operating activities amounting to ₱23.34 million which was offset by net cash flows used in investing activities of ₱14.62 million and net cash used in financing activities of ₱0.005 million

#### **Receivables**

Receivables decreased by ₱ 0.24 million or 1% from ₱42.26 million as of June 30, 2020, to ₱42.51 million as of June 30, 2021. This is mainly due to the zero receivables from related parties on June 2021, The increases in receivables from members of ₱ .248 million and attribute from functions of ₱1.32 million however, the allowance for impairment is lower by 0.32%.

#### **Inventories**

Inventories decreased by ₱1 million or 1% from ₱12.01 million as of June 30, 2020, to ₱11.01 million on June 30, 2021, due to consumption during the period.

#### **Other Current Assets**

Prepaid expenses and other current assets increased by ₱3.89 million or 14% from ₱27.61 million as of June 30, 2020, to ₱31.50 million as of June 30, 2021. This is mainly due to the increase in creditable withholding tax of ₱1.57 million or .064% and the increase in current portion of deferred input VAT of

₱2.63 million or 1.86% while the decreased in prepaid expenses of ₱0.32 million or .17%.

### **Noncurrent Assets**

Noncurrent assets decreased by ₱48.77 million or 0.08% from ₱625.61 million as of June 30, 2020 to ₱576.84 million as of June 30, 2021. This is the result of higher depreciation expense due to additions to property and equipment through the completion of renovations of the Club's facilities hence, lowering its net amount by ₱51.09 million. While increased in advances to contractors and suppliers by ₱4.8 million or 71% and increase in deferred input VAT of ₱2.3 million or 9%.

### **LIABILITIES**

Accounts payable and other current liabilities posted a decreased of ₱30.2 million or 17%, from ₱178.16 million on June 30, 2020, to ₱148.38 million in 2021. This pertains to higher payables to related party of ₱10.96 million or 28% also increases in membership dues collected in advance of ₱2.35 million or 8%, refundable deposit of ₱2.35 or 10%, payables for concessionaries of ₱3.39 or 642%, deferred income of ₱9.06 or 402%, provision of ₱.594 or 34% and other payables of ₱1.79 or 41% while, decreased in unclaimed gift certificates of ₱.026 million or .01%.

In addition, non-current liabilities decreased by ₱26.29 million or 90% from ₱29.16 million on June 30, 2020, to ₱2.87 million in June 30, 2021. lower pension liabilities for the period.

### **EQUITY**

Members' equity increased by ₱17.02 million or 3% from ₱540.85 million as of June 30, 2020, to ₱537.70 million as of June 30, 2021, mainly because of the net gain during the six-month period.

## **December 31, 2020 compared to December 31, 2019**

### **ASSETS**

The Country Club has total assets of ₱684.51 million as of December 31, 2020 as compared to ₱737.70 million in December 31, 2019, a decrease of ₱53.19 million or 7.21%. The Country club has a current ratio of ₱0.68 for each peso of current liabilities as of December 31, 2020 as compared to ₱0.57 as of December 31, 2019.

### **Cash and Cash Equivalents**

Cash and cash equivalents increased by ₱3.22 million or 23.77%, from ₱13.55 million on December 31, 2019, to ₱16.77 million on December 31, 2020. This is the result of the net cash inflows provided by operating activities amounting to ₱31.37 million which was offset by net cash flows used in investing activities of ₱27.79 million and net cash used in financing activities of ₱0.33 million

### **Receivables**

Receivables amounted to ₱36.98 million and ₱38.74 million as of December 31, 2020 and 2019, respectively. The decline of ₱1.76 million or 4.54% was attributed to the decrease in receivables from functions of ₱6.05 million or 85.52% offset by the increase in receivables from members of ₱4.50 million or 15.56% attributed to low collection rate owing to lost income and/or restrictions on members' ability to move freely as a result of the outbreak of COVID-19 pandemic.

### **Inventories**

Inventories decreased by ₱2.33 million or 17.00% from ₱13.72 million in December 31, 2019 to ₱11.39 million in December 31, 2020 due to consumption during the period.

### **Other Current Assets**

Other current assets has a balance amounting to ₱28.87 million and ₱31.21 million as of December 31, 2020 and 2019, respectively. This is mainly due to decrease of ₱3.83 million or 56.78% in current

portion of deferred input VAT offset by increase of ₱1.59 million or 6.57% in creditable withholding taxes.

### **Non-current Assets**

Non-current assets decreased by 7.80% or ₱49.98 million, from ₱640.48 million in December 31, 2019 to ₱590.51 million in December 31, 2020 due mainly to the decrease in property and equipment of ₱50.38 million or 8.77% because of higher depreciation expense, and advances to contractors and suppliers of ₱5.42 million or 72.04%. Conversely, deferred input VAT increased by ₱2.79 million or 92.74% for CAPEX and ₱3.03 million or 15.86% for OPEX.

### **LIABILITIES**

Accounts payable and other current liabilities posted a decrease of ₱31.31 million or 18.49%, from ₱169.32 million in December 31, 2019 to ₱138.01 million in 2020. This pertains to the decreases in trade accounts payable of ₱18.77 million or 41.11%, refundable deposit of ₱14.94 million or 41.67%, membership dues collected in advance of ₱11.63 million or 46.09%, and retention payable of ₱7.54 million or 89.58%. On the other hand, there are increases in payables to related parties of ₱16.02 million or 56.91%, payables to concessionaires of ₱2.29 million or 54.89%, and provisions of ₱0.67 million or 326.97%.

In addition, non-current liabilities decreased by ₱11.16 million or 39.99% from ₱27.90 million in December 31, 2019 to ₱16.74 million in December 31, 2020. This lower amount is caused by the retirement contributions paid during the year.

### **EQUITY**

Members' equity decreased by ₱10.40 million or 1.93% from ₱540.16 million in December 31, 2019 to ₱529.76 million in December 31, 2020, attributed to the net loss of ₱7.34 million during the current year and other comprehensive loss amounting to ₱3.06 million, which is from the remeasurement loss on defined benefit pension plan.

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

### **ASSETS**

The Country Club has total assets of ₱737.70 million as of December 31, 2019 as compared to ₱674.51 million in December 31, 2018, an increase of ₱63.19 million or 9.37%. The Country club has a current ratio of ₱0.57 for each peso of current liabilities as of December 31, 2019 as compared to ₱1.14 as of December 31, 2018.

### **Cash and Cash Equivalents**

Cash and cash equivalents decreased by ₱40.35 million or 74.86%, from ₱53.90 million in December 31, 2018 to ₱13.55 million in December 31, 2019. This is the result of the net cash inflows provided by operating activities amounting to ₱120.93 million which was offset by net cash flows used in investing activities of ₱159.90 million due to additions to property and equipment, and net cash used in financing activities of ₱1.37 million.

### **Receivables**

Receivables amounted to ₱38.73 million and ₱49.27 million as of December 31, 2019 and 2018, respectively. The decrease of ₱10.53 million or 21.37% was attributed to the decrease in receivables from members of ₱7.20 million or 21.28% and related parties of ₱3.47 million or 84.00%.

### **Inventories**

Inventories decreased by ₱2.55 million or 15.65% from ₱16.26 million in December 31, 2018 to ₱13.72 million in December 31, 2019.

### **Other Current Assets**

Other current assets have a balance amounting to ₱31.21 million and ₱23.87 million as of December 31, 2019 and 2018, respectively. This is mainly due to increase of ₱5.64 million or 30.51% in creditable withholding taxes and ₱3.91 million or 138.01% in current portion of deferred input VAT while there is a decrease of ₱2.21 million or 86.96% in prepaid expenses.

### **Non-current Assets**

Non-current assets increased by 20.57% or ₱109.26 million, from ₱531.22 million in December 31, 2018 to ₱640.48 million in December 31, 2019 due mainly to additions to property and equipment of ₱96.45 million or 20.19% after the Club has completed renovations of its facilities, and increase in deferred input VAT – OPEX of ₱18.25 million. Conversely, there is a decrease in advances to contractors and suppliers of ₱6.09 million or 44.74%.

### **LIABILITIES**

Accounts payable and other current liabilities posted an increase of ₱44.36 million or 35.50%, from ₱124.96 million on December 31, 2018 to ₱169.32 million in 2019. This pertains to the increases in payables to related parties of ₱21.74 million or 339.18%, trade accounts payable of ₱14.08 million or 40.00%, retention payable of ₱7.21 million or 595.04%, membership dues collected in advance of ₱4.57 million or 22.09%, and refundable deposit of ₱2.26 million or 6.73%. On the other hand, there are decreases in unclaimed gift certificates of ₱3.92 million or 59.93% and accrued expenses of ₱1.79 million or 20.04%.

In addition, non-current liabilities increased by ₱11.38 million or 68.86% from ₱16.52 million in December 31, 2018 to ₱27.90 million in December 31, 2019. This higher amount is caused by the retirement provision for the year.

### **EQUITY**

Members' equity increased by ₱8.40 million or 1.58% from ₱531.76 million in December 31, 2018 to ₱540.16 million in December 31, 2019, attributed to the total comprehensive income of ₱8.40 million during the current year. Other comprehensive loss amounting to ₱6.68 million is from the remeasurement loss on defined benefit pension plan.

### **December 31, 2018 compared to December 31, 2017**

#### **ASSETS**

The Country Club has total assets of P674.51 million as of December 31, 2018 as compared to the December 31, 2017 P672.2 million, an increase of P2.31 million or 0.34%. The Country club has a current ratio of P1.14 for each peso of current liabilities as of December 31, 2018 as compared to P1.19 as of December 31, 2017.

#### **Cash and Cash Equivalents**

Cash and cash equivalents increased by P3.22 million or 6.36%, from P50.67 million in December 31, 2017 to P53.90 million in December 31, 2018. This is the result of the net cash inflows provided by operating activities which amounted to P53.98 million, net cash flows used in investing activities of P49.17 million, and net cash used in financing activities of P1.62 million.

#### **Receivables**

Receivables amounted to P49.27 million and P57.46 million as of December 31, 2018 and 2017, respectively. The decrease of P8.19 million or 14.26% was attributed to the decrease in receivables from related parties (net) of P10.79 million or 72.30% and higher allowance for impairment by P0.39 million or 97.85%.

#### **Inventories**



Inventories increased by P2.06 million or 14.52% from P14.20 million in December 31, 2017 to P16.26 million in December 31, 2018.

### **Other Current Assets**

Other current assets has a balance amounting to P23.87 million and P21.57 million as of December 31, 2018 and 2017, respectively. This is mainly due to increase of P1.69 million or 197% in prepaid expenses and P0.79 million or 4.46% in creditable withholding taxes.

### **Non-current Assets**

Non-current assets increased by 0.55% or P2.92 million, from P528.30 million in December 31, 2017 to P531.22 million in December 31, 2018 due mainly to increases in advances to contractors and suppliers by P9.22 million or 210.78%, intangible assets by P0.57 million or 49.95%, and additions to property and equipment of P25.66 million.

### **LIABILITIES**

Accounts payable and other current liabilities posted an increase of P5.77 million or 4.84%, from P119.19 million in December 31, 2017 to P124.96 million in 2018. This pertains to the increases in unclaimed gift certificate of P2.99 million or 84.19%, membership dues collected in advance P3.74 million or 22.09%, refundable deposit by P4.51 million or 15.50% mainly from deposits for function, and payables to nonrelated parties of P6.94 million or 24.75%. On the other hand, there are decreases in statutory payables of P7.85 million or 59.78%, accrued expenses of P1.41 million or 13.70%, related parties of P0.34 million or 4.99%, retention payable of P0.28 million or 19.02%, and auctioned members liability of P0.08 million or 91.90% due to closing of long outstanding accounts.

In addition, non-current liabilities decreased by P9.93 million or 37.53% from P26.45 million in December 31, 2017 to P16.52 million in December 31, 2018. This lower amount is caused by the retirement provision for the year.

### **EQUITY**

Members' equity increased by P6.62 million or 1.26% from P525.14 million in December 31, 2017 to P531.76 million in December 31, 2018, attributed to the total comprehensive income of P6.62 million during the current year. OCI amounting to P3.39 million is from the remeasurement gain on defined benefit pension plan.

Below are the comparative key performance indicators of the Country Club:

<b>Performance Indicators</b>	<b>Formula for Calculation</b>	<b>30-Jun-21 (Unaudited)</b>	<b>31-Dec-20 (Audited)</b>	<b>31-Dec-19 (Audited)</b>
Current ratio	Current assets over current liabilities	<b>0.76 : 1.00</b>	<b>0.68 : 1.00</b>	<b>0.57 : 1.00</b>
Acid test ratio	Quick assets* over current liabilities	<b>0.47 : 1.00</b>	<b>0.39 : 1.00</b>	<b>0.31 : 1.00</b>
Solvency ratio	EBITDA over total liabilities	<b>24%</b>	<b>35%</b>	<b>35%</b>
Debt to equity ratio	Total liabilities over total members' equity	<b>0.28</b>	<b>0.29</b>	<b>0.37</b>

Asset to equity ratio	Total assets over total members' equity	<b>1.28</b>	<b>1.29</b>	<b>1.37</b>
Interest rate coverage ratio	EBIT over total interest expense	<b>N/A</b>	<b>(1,399.85) times</b>	<b>237.64 times</b>
Return on equity	Income after tax over average members' equity	<b>1%</b>	<b>(-1)%</b>	<b>3%</b>
Return on assets	Income before interest expense but after tax over average total assets	<b>1%</b>	<b>-1%</b>	<b>2%</b>
Net profit margin	Net income over gross revenue	<b>8%</b>	<b>(-34)%</b>	<b>5%</b>
EBITDA** per share	Excess of Revenue Over Expenses before Interest, Tax, Depreciation and Amortization over weighted average number of shares	<b>₱72,268.56</b>	<b>₱10,700.97</b>	<b>₱13,633.66</b>

\* Quick assets – Cash plus receivables

\*\*EBITDA – Earnings before Interest, Tax, Depreciation and Amortization

During the six months period ending June 30, 2021, 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 Country Club ;
- ii. Events that will trigger direct or contingent financial obligation that is material to the Country 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 Country 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 Country 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 Country Club's continuing operations;
- vii. Seasonal aspects that had a material impact on the Country Club's results of operations; and
- viii. Material changes in the financial statements of the Country Club from the year ended December 31, 2020, except as reported in the MD&A.

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

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

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

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

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 Country Club.

## **DISCUSSION ON CORPORATE GOVERNANCE**

The Country Club remains focused on insuring 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 Country 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 Country Club. The Country 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 Country Club's shareholders and other stakeholders, which include, among others, clients, employees, suppliers, financiers, government and community in which it operates. The Country Club undertakes every effort possible to create awareness throughout the entire organization.

The Board establishes the major goals, policies and objectives of the Country 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 Country Club is not aware of any non-compliance with its Revised 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 INFORMATION STATEMENT AND ANNUAL REPORT (SEC FORM 17-A) WITHOUT CHARGE. ANY SUCH WRITTEN REQUEST SHALL BE ADDRESSED TO:**

THE CORPORATE SECRETARY  
THE COUNTRY CLUB AT TAGAYTAY HIGHLANDS, INC.  
BO. CALABUSO, TAGAYTAY CITY  
PHILIPPINES