



# SECURITIES AND EXCHANGE COMMISSION

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## Company Information

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**SEC Registration No.:** 0000190731

**Company Name:** TAGAYTAY HIGHLANDS INTERNATIONAL GOLF CLUB, INC.

**Industry Classification:** O92000

**Company Type:** Stock Corporation

## Document Information

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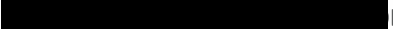
## CERTIFICATION

I, **ANNA FRANCESCA C. RESPICIO**, Financial Controller, is a duly authorized representative of **TAGAYTAY HIGHLANDS INTERNATIONAL GOLF CLUB, INC.** (“Club”), with SEC registration number ASO91-190731 and principal office at Tagaytay Highlands Complex, Brgy. Calabuso, Tagaytay City, Philippines, does hereby certify and state that:

- 1) That on behalf of the Club, I have caused this Annual Report for the period ended 31 December 2025 (SEC Form 17-A) to be prepared;
- 2) That I read and understood its contents which are true and correct based on company records; and
- 3) That the Club with comply with the requirements set forth in SEC Notice dated 24 June 2020 for a complete and official submission of reports and/or documents through electronic mail:

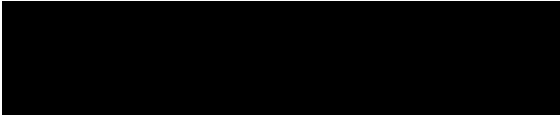
IN WITNESS WHEREOF, I have hereunto set my hand this 14 MAY 2026.

  
**ANNA FRANCESCA C. RESPICIO**  
Corporate Secretary

SUBSCRIBED AND SWORN to before me this 14 MAY 2026 in Pasig City, affiant exhibiting to me her Philippine  issued at DFA Manila which expires on 14 December 2031  competent evidence of identity.

Doc. No. 54 ;  
Page No. 12 ;  
Book No. II ;  
Series of 2026.



  
**ALTHEA DOMINIQUE S. MALIWANAG**  
Notary Public for  
Pasig City and Municipality of Pateros  
Appointment No. 133 (2026-2027)  
Commission Expires on December 31, 2027  
2704 East Tower, Tektite Towers, Exchange Road  
Ortigas Center, 1605 Pasig City  
PTR No. 3986121/01.14.26/Pasig City  
IBP No. 576298/12.29.25/Quezon  
Roll of Attorneys No. 86401  
MCLEC No. VIII-0039127/06.27.25

A S O 9 1 - 1 9 0 7 3 1  
S.E.C. 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 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 , P H I L I P P I N E S 4 1 2 0

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

Anna Francesca C. Respicio  
Contact Person  
[Redacted]  
Company Telephone Number

1 2 - 3 1  
Month Day  
Calendar Year

1 7 - A  
FORM TYPE

0 5 - 3 1  
Month Day  
Annual Meeting

[Redacted]  
Secondary License Type, If Applicable

S E C  
Dept. Requiring this Doc.

N / A  
Amended Articles Number/Section

1 5 3 8  
Total No. of Stockholders

[Redacted] [Redacted]  
Domestic Foreign  
Total Amount of Borrowings

To be accomplished by SEC Personnel concerned

[Redacted]  
File Number

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LCU

[Redacted]  
Document I.D.

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Cashier

STAMPS

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

(A Nonprofit Corporation)

Supplementary Schedules Required

By the Securities and Exchange Commission

As at and For the Year Ended December 31, 2025

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**SECURITIES AND EXCHANGE COMMISSION**

**SEC FORM 17-A**

**ANNUAL REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE  
AND SECTION 141 OF THE CORPORATION CODE**

1. For the Twelve months ended **31 December 2025**
2. SEC Identification Number: **190731** 3. BIR Tax Identification Number: **000-533-433-000**

4. Exact name of issuer as specified in its charter **Tagaytay Highlands International  
Golf Club, Inc.**

5. **Makati, Metro Manila, Philippines**  
Province, Country or other jurisdiction of  
incorporation or organization
6.  (SEC Use Only)  
Industry Classification Code:

7. **Bo. Calabuso, Tagaytay City, Cavite**  
Address of principal office
- 4120**  
Postal Code

8. Registrant's telephone number, including area code: **(046) 483-0888**

**NOT APPLICABLE**

9. Former name, former address, and former fiscal year,  
if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information  
on number of shares and amount of debt is applicable only to corporate registrants):

<u>Title of Each Class</u>	<u>Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding</u>
<b>Proprietary Shares</b>	<b>2,957</b>

11. Are any or all of Registrant's securities listed on a Stock Exchange?  
[ X ] Yes [ ] No

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding 12 months (or for such shorter period that the registrant was required to file such reports);

[ X ] Yes [ ] No

(b) has been subject to such filing requirements for the past 90 days.

[ X ] Yes [ ] No

13. Aggregate market value of voting stock held by non-affiliates: **₱ 4,392,900,000.00**

**APPLICABLE ONLY TO ISSUERS INVOLVED IN INSOLVENCY/SUSPENSION OF PAYMENTS PROCEEDINGS  
DURING THE PRECEDING FIVE YEARS:**

14. Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the SRC subsequent to the distribution of securities under a plan confirmed by a court or the SEC. **NOT APPLICABLE**

## **PART I - BUSINESS AND GENERAL INFORMATION**

### **Item 1. Business**

Tagaytay Highlands International Golf Club, Inc. (Golf Club) was incorporated in May 17, 1991. This is Belle Corporation's first major property development project. Its primary purpose is to promote social, recreational and athletic activities among its shareholders on a non-profit basis, the nucleus of which will be the construction, development, and maintenance of a golf course, tennis courts, and other sports and recreational facilities. The Golf Club is situated in Tagaytay City which is about 60 kilometers south of Metro Manila.

The Golf Club started commercial operations on April 16, 1994. The Golf Club features a world-class 18-hole championship golf course and 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 dining facilities, function rooms and offices. The Golf Club also offers the Swiss-made cable car system which is being utilized to ferry golfers from the front nine holes to back nine holes. Likewise, the Golf Club offers accommodation facilities for its members and their guests. The Golf Club collects membership dues as members' support from its members to meet the expenses for the general operations of the Club, and the maintenance and improvement of its premises and facilities. Membership dues amounted P95,733,904.00 in 2025, P95,441,426.00 in 2024, and P94,849,027.00 in 2023.

The following are the major operating facilities of the Golf Club:

#### **a. Golf Course**

The Golf Course is a 18-hole par-71 international championship golf course 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. Revenue includes the collection of green fees, golf cart fee, locker rental and other related fees. The Golf Club operates tee houses to serve refreshments to the members and their guests while in the golf course.

#### **b. Restaurants**

The Golf Club operated dining facilities and tee houses which offer its members and their guests with a wide array of international cuisine. In 2013 up to the present, the Golf Club entered into agreements with some restaurant owners to operate its restaurants offering Filipino, Spanish and Korean and Japanese cuisines.

#### **c. Banquets and Functions**

The Golf Club also offers meeting and accommodation facilities that will suit the preferences of its members and guests. The Golf Club offers corporate meetings, weddings and other events exclusive to members and their guests.

#### **d. Accommodation Facilities**

Accommodation facilities are available to its members and guests whether it is for business meetings and conferences, weddings or leisure.

Golf Club members can also enjoy the facilities of Tagaytay Midlands Golf Club, Inc. with the following facilities: 27-hole golf course, locker rooms, a helipad, a Filipino restaurant, tee houses, a pro shop, and banquet facilities. Likewise, members can also use a variety of world-class sports and recreational facilities such as bowling, badminton, gym, basketball, tennis of The Country Club at Tagaytay Highlands, Inc. It also offers a wide array of cuisines (Filipino, Chinese, Italian, Japanese, Asian Fusion and Mediterranean) which are sure to satisfy everyone's palate.

The Golf Club's sources of revenue which are generated from services provided to members and guests include Food, beverage, and sundries (34%) and Green fees (20%).

There are no revenues generated from foreign sources for the past 3 years.

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

The Golf 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 Golf 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 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 Ecology Specialist and Filoil Energy Company Inc. 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 related parties which consist mainly of usage of Club's facilities and services as well as reimbursement of certain operating expenses such as contract services, repairs and maintenance, utilities, and labor cost. Moreover, this also includes payments of food and beverage costs, room and spa, massage charges, and shuttle services of the Club's employees. The outstanding balances as at year-end are unsecured, noninterest-bearing, due and demandable and settlement occurs in cash.

### **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.

### **Employees**

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

Regular Employees*	
General Manager and Department Heads	15
Supervisors	22
Rank and File	<u>42</u>
Total	<u>79</u>

\*Based on head count as of December 31, 2025.

All regular rank and file employees are subject to the Collective Bargaining Agreement which expires on June 30, 2029. 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 (20) years.

### **Major Business Risks**

Major business risks of the Club primarily relate to environmental factors, in which the Club is vulnerable to natural hazards such as volcanic activity, weather disturbances, landslides and evolving environmental regulations, which may cause operational challenges and increase compliance costs; and which could also lead to operational risks arising from impact to member satisfaction and profitability. The Club is also exposed to credit risk and liquidity risk.

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligation. The Company limits its exposure to credit risk by depositing its cash in banks and cash equivalents with high reputable and pre-approved financial institutions. In addition, trade and other receivables are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company seeks to manage its liquidity profile to be able to finance its capital expenditures and service its maturing debts. The Company's objective is to maintain a balance between continuity of funding and flexibility through valuation of projected and actual cash flow information.

## **Item 2. Properties**

The Golf Club is located in Brgy. Calabuso, Tagaytay City. The Golf Club has complete ownership of the property. In addition, the property is free from all liens, encumbrances, and/or mortgages. There are no limitations as to the ownership brought about by the terms and conditions of any encumbrances.

The principal properties include the 18-hole golf course which is situated on a 20-hectare slope which is about 60 kilometers south of Metro Manila, the Golf Clubhouse which houses a restaurant and banquet facilities, a pro shop and the Executive Offices, and the Swiss-made cable car system. These properties are well maintained and go through regular repairs and maintenance programs throughout the year.

## **Item 3. Legal Proceedings**

As of the year ended December 31, 2025, there are no material pending legal proceedings to which the Golf Club is a party.

## **Item 4. Submission of Matters to a Vote of Security Holders**

During the third quarter of the 2025 calendar year, the Golf Club held its annual stockholders' meeting (on September 13, 2025). In said annual meeting, the following items were voted upon by the stockholders: (1) Approval of Minutes of Previous Meeting of Stockholders, (2) Approval of 2024 Operations and Results, and the 2024 Audited Financial Statements, (3) Ratification of Corporate Acts, (4) Appointment of External Auditor, and (5) Election of Directors. In the election of directors, the following persons were elected as directors of the Golf Club:

1. Hans T. Sy
2. Willy N. Ocier
3. Jerry C. Tiu
4. Manuel A. Gana
5. A. Bayani K. Tan
6. Armin B. Raquel-Santos
7. Harvey Christopher T. Sy
8. Gabriel R. Singson Jr.
9. Johnip G. Cua (Independent Director)
10. Roger S. Go (Independent Director)
11. Olivia Lara Santico-Vicente (Independent Director)

All items were affirmatively voted upon (no negative votes and no abstentions) by 1,491 stockholders, representing 52.61% of all stockholders in good standing and entitled to vote. No other matter was submitted to security holders other than at the annual meeting.

## PART II - OPERATIONAL AND FINANCIAL INFORMATION

### Item 5. Market for Issuer's Common Equity and Related Stockholder Matters

#### Proprietary Shares

The Golf Club has 2,957 issued and outstanding proprietary shares as of December 31, 2025, of which 44.81% is owned by Belle Corporation and the remaining shares are owned by other Golf Club members. There are 1,536 holders of the Golf Club's proprietary shares. The top shareholders are as follows:

NAME OF STOCKHOLDER	NO. OF SHARES	%
Belle Corporation	1,325	44.81%
Lap Holdings, Inc.	59	2.00%
First Philippine Holdings Corp.	7	0.24%
First Gas Holdings Corp.	5	0.17%
Estate of Vicente J. Jayme, Jr.	5	0.17%
Unilever Phils., Inc.	5	0.17%
Highlands Prime, Inc.	5	0.17%
First Gen Corporation	4	0.14%
Ocier, Willy N.	3	0.10%
Borja, Louis Bartolome J.	3	0.10%
Others	1,536	51.94%
<b>Total</b>	<b>2,957</b>	<b>100.00%</b>

#### Market Value of Security

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

	HIGH	LOW
Quarter ended March 2023	2,000,000	1,500,000
Quarter ended June 2023	2,000,000	1,900,000
Quarter ended September 2023	2,200,000	1,900,000
Quarter ended December 2023	2,000,000	1,900,000
Quarter ended March 2024	3,000,000	2,000,000
Quarter ended June 2024	3,000,000	3,000,000
Quarter ended September 2024	3,000,000	3,000,000
Quarter ended December 2024	3,000,000	3,000,000
Quarter ended March 2025	3,000,000	3,000,000
Quarter ended June 2025	3,000,000	3,000,000
Quarter ended September 2025	3,000,000	2,600,000
Quarter ended December 2025	2,700,000	2,700,000

The Golf Club's securities are not traded on any stock exchange.

## **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 assets of the Golf Club at the time of the dissolution or liquidation of the Golf Club.

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

There was 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.

## **Item 6. Management's Discussion and Analysis (MD&A)**

### **Results of Operations**

#### **December 2025 compared to December 2024**

### **REVENUES**

Total club revenues of ₱136.16 million for the twelve months ended December 31, 2025 were lower by ₱5.28 million or 3.74% compared to ₱141.44 million for the twelve months ended December 31, 2024, mainly due to decrease in food, beverage, and sundries by ₱4.92 million and green fees by ₱1.59 million.

#### **Food, Beverage, and Sundries**

Revenues from food, beverage, and sundries decreased by ₱4.92 million or 5.99% from ₱82.20 million in 2024 to ₱77.27 million in 2025. Sundry Revenue decreased by ₱2.29 million or 52.91%, food sales decreased by ₱1.26 million or 2.45% while beverage sales decreased by ₱0.45 million or 5.11%. Sales of the convenience store (Seven Eleven) decreased by ₱0.44 million or 3.48% as well as income from concessionaires decreased by ₱0.49 million or 9.50%.

#### **Green Fees**

Revenues from green fees decreased by ₱1.59 million or 4.41%, from ₱35.97 million in 2024 to ₱34.38 million in 2025, mainly due to lower rounds of golf.

#### **Golf Cart and Locker Rental**

Revenues from golf cart and locker rental increased by ₱1.08 million or 7.82%, from ₱13.84 million in 2024 to ₱14.93 million in 2025, mainly due to higher golf cart rental by ₱1.18 million or 9.00%.

#### **Room Sales**

Revenues from room sales increased by ₱0.17 million or 2.14%, from ₱8.05 million in 2024 to ₱8.22 million in 2025, mainly due to higher occupancy of 34.32% in 2025 compared to 20.03% in 2024.

## **Other Revenues**

Other revenues decreased by ₱0.03 million or 2.11% from ₱1.39 million in 2024 to ₱1.36 million in 2025. This consists mainly of revenues from golf balls, mulligans, and golf club rental.

## **COST AND EXPENSES**

Total cost and expenses of ₱256.08 million for the twelve months ended December 31, 2025 were lower by ₱7.98 million or 3.02% compared to ₱264.06 million for the twelve months ended December 31, 2024, as a result of higher operating activities.

### **Cost of Sales**

Cost of sales decreased by ₱5.37 million or 7.41%, from ₱72.50 million in 2024 to ₱67.13 million in 2025, mainly due to relatively lower sales for the period. This includes food and beverage cost, sundry inventory cost, and Seven Eleven cost of sales.

### **Cost of Services**

Cost of services decreased by ₱7.67 million or 5.23%, from ₱146.80 million in 2024 to ₱139.12 million in 2025, mainly due to lower volume of operations. This includes communication, light and water, salaries and other benefits, repairs and maintenance and other direct expenses.

### **General and Administrative Expenses**

General and administrative expenses increased by ₱5.07 million or 11.32%, from ₱44.76 million in 2024 to ₱49.83 million in 2025. This includes repairs and maintenance, communications, light and water and other administrative expenses.

## **OTHER INCOME (CHARGES)**

### **Interest Income**

Interest income decreased by ₱0.21 million or 10.01%, from ₱2.06 million in 2024 to ₱1.85 million in 2025, due to lower interest rate of 5.16% in 2025, compared to 5.50% in 2024.

### **Other Income**

Other income of ₱39.09 million for the twelve months ended December 31, 2025 was lower by ₱6.47 million or 14.20%, compared to ₱45.56 million for the twelve months ended December 31, 2024. Other income includes transfer fee, assignment fee, management fee, guest card fee, commission income, and foreign exchange gain.

## **MEMBERS' SUPPORT**

During the twelve-month period ended December 31, 2025, the Golf Club generated membership dues of ₱94.90 million which were lower by ₱0.40 million or 0.42% as compared to ₱95.30 million in December 31, 2024.

## **PROVISION FOR (BENEFIT FROM) DEFERRED INCOME TAX**

The Golf Club posted a provision for deferred income tax of ₱0.58 million in 2025 as compared to the benefit from deferred income tax of ₱0.33 million in 2024.

## **NET INCOME**

For the twelve-month period ended December 31, 2025, the Golf Club posted net income of ₱16.49 million which was lower by ₱3.46 million or 17.35% as compared to the net income of ₱19.96 million for the period ended December 31, 2024.

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

### **December 2025 compared to December 2024**

#### **ASSETS**

The Club has total assets of ₱513.09 million as of December 31, 2025 with a decrease of ₱17.08 million or 3.22% as compared to ₱530.17 million as of December 31, 2024. It has a current ratio of ₱1.26 as of December 31, 2025 and ₱1.06 as of December 31, 2024.

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

Cash and cash equivalents increased by ₱6.42 million or 8.17%, from ₱78.54 million as of December 31, 2024 to ₱84.96 million as of December 31, 2025 due to additional time deposit of ₱5.14 million in 2025 and ₱2.43 million in 2024.

#### **Trade and Other Receivables**

Trade and other receivables increased by ₱3.69 million or 16.32% from ₱22.63 million as of December 31, 2024 to ₱26.32 million as of December 31, 2025, mainly due to collections from related parties, concessionaires, and other debtors.

#### **Inventories**

Inventories increased by ₱0.05 million or 4.08% from ₱1.22 million as of December 31, 2024 to ₱1.27 million as of December 31, 2025. This includes 7-11 merchandise, kitchen fuel, and general supplies inventory.

#### **Other Current Assets**

Other current assets showed an decrease of ₱16.29 million or 20.47% from ₱79.58 million as of December 31, 2024 to ₱63.29 million as of December 31, 2025, mainly due to the decrease of input vat by ₱17.71 million from ₱21.15 as of December 31, 2024 to ₱3.44 million as of December 31, 2025.

### **Property and Equipment - net**

Property and equipment decreased by ₱6.89 million or 2.07% from ₱332.83 million as of December 31, 2024 to ₱325.94 million as of December 31, 2025, mainly due to the depreciation charges of ₱30.24 million which was offset by additions to property of ₱23.35 million.

### **Investment Property**

Investment property which consists of land not used in operation remained at its carrying value from 2018 to 2025 amounting to ₱5.55 million.

### **Net Retirement Asset**

Net retirement asset decreased by ₱2.84 million or 62.76% from ₱4.52 million as of December 31, 2024 to ₱1.68 million as of December 31, 2025 since there were no contributions to the retirement fund during 2025.

### **Other Noncurrent Assets**

Other non-current assets decreased by ₱1.22 million or 23.09% from ₱5.29 million as of December 31, 2024 to ₱4.07 million as of December 31, 2025, mainly due to the decrease in refundable deposits amounting to ₱0.78 million and amortization of computer software amounting to ₱0.49 million.

## **LIABILITIES**

The Club has total liabilities of ₱140.17 million as of December 31, 2025 which decreased by ₱33.08 million or 19.09% compared to ₱173.25 million as of December 31, 2024. It has a liabilities-to-equity ratio of ₱0.38 as of December 31, 2025 and ₱0.49 as of December 31, 2024.

### **Trade and Other Payables**

Trade and other payables decreased by ₱32.33 million or 18.79% from ₱172.07 million as of December 31, 2024 to ₱139.73 million as of December 31, 2025 mainly due to payments made to related parties, concessionaires, and other creditors.

### **Deferred Tax Liability**

Deferred tax liability decreased by ₱0.75 million or 63.03%, from ₱1.19 million as of December 31, 2024 to ₱0.44 million as of December 31, 2025.

## **MEMBERS' EQUITY**

The Golf Club's members' equity as of December 31, 2025 of ₱372.92 million was higher by ₱16.01 million or 4.48% compared to ₱356.91 million as of December 31, 2024 due to the net income for the period ended December 31, 2025.

## **December 2024 compared to December 2023**

### **REVENUES**

Total club revenues of ₱141.44 million for the twelve months ended December 31, 2024 were higher by ₱3.19 million or 2.31% compared to ₱138.25 million for the twelve months ended December 31, 2023, mainly due to increase in green fees by ₱4.87 million and golf cart and locker rental by ₱3.22 million.

#### **Food, Beverage, and Sundries**

Revenues from food, beverage and sundries decreased by ₱4.77 million or 5.48% from ₱86.96 million in 2023 to ₱82.20 million in 2024. Food sales decreased by ₱5.85 million or 10.23% while beverage sales increased by ₱2.16 million or 32.28%. Sales from the convenience store (Seven Eleven) revenue decreased by ₱0.40 million or 3.07% as well as income from kitchen fuel and general supplies consumption of concessionaires by ₱1.86 million or 0.30%.

#### **Green Fees**

Revenues from green fees increased by ₱4.87 million or 15.68%, from ₱31.09 million in 2023 to ₱35.97 million in 2024, mainly due to higher rounds of golf and increase in green fee rates in May 2023.

#### **Golf Cart and Locker Rental**

Revenues from golf cart and locker rental increased by ₱3.22 million or 30.34%, from ₱10.62 million in 2023 to ₱13.84 million in 2024, mainly due to higher golf cart rental by ₱3.25 million or 33.05%.

#### **Room Sales**

Revenues from room sales decreased by ₱0.40 million or 4.24%, from ₱8.40 million in 2023 to ₱8.05 million in 2024, mainly due to higher occupancy of 13.91% in 2024 compared to 13.90% in 2023.

#### **Other Revenues**

Other revenues increased by ₱0.21 million or 18.26% from ₱1.18 million in 2023 to ₱1.39 million in 2024. This consists mainly of revenues from golf balls, mulligans, and golf club rental.

### **COST AND EXPENSES**

Total cost and expenses of ₱264.06 million for the twelve months ended December 31, 2024 were higher by ₱15.52 million or 6.25% compared to ₱248.54 million for the twelve months ended December 31, 2023, as a result of higher operating activities.

#### **Cost of Sales**

Cost of sales decreased by ₱6.28 million or 7.97%, from ₱78.78 million in 2023 to ₱72.50 million in 2024, mainly due to relatively lower sales for the period. This includes food and beverage cost, sundry inventory cost, and Seven Eleven cost of sales.

## **Cost of Services**

Cost of services increased by ₱15.35 million or 11.68%, from ₱131.44 million in 2023 to ₱146.80 million in 2024, mainly due to higher volume of operations. This includes communication, light and water, salaries and other benefits, repairs and maintenance and other direct expenses.

## **General and Administrative Expenses**

General and administrative expenses increased by ₱6.44 million or 16.82%, from ₱38.32 million in 2023 to ₱44.76 million in 2024. This includes repairs and maintenance, communications, light and water and other administrative expenses.

## **OTHER INCOME (CHARGES)**

### **Interest Income**

Interest income increased by ₱0.01 million or 0.68%, from ₱2.04 million in 2023 to ₱2.06 million in 2024, due to higher interest rate of 5.50% in 2024, compared to 5.25% in 2023.

### **Other Income**

Other income of ₱45.56 million for the twelve months ended December 31, 2024 was higher by ₱19.99 million or 78.18%, compared to ₱25.57 million for the twelve months ended December 31, 2023. Other income includes transfer fee, assignment fee, management fee, guest card fee, commission income, and foreign exchange gain.

## **MEMBERS' SUPPORT**

During the twelve-month period ended December 31, 2024, the Golf Club generated membership dues of ₱95.30 million which was higher by ₱0.97 million or 1.03% as compared to December 31, 2023.

## **PROVISION FOR (BENEFIT FROM) DEFERRED INCOME TAX**

The Golf Club posted a provision for deferred income tax of ₱0.33 million in 2024 as compared to the benefit from deferred income tax of ₱0.80 million in 2023.

## **NET INCOME**

For the twelve-month period ended December 31, 2024, the Golf Club posted net income of ₱19.96 million which was higher by ₱7.50 million or 60.25% as compared to the net income of ₱12.45 million for the period ended December 31, 2023.

## Financial Condition and Changes in Financial Condition

### **December 2024 compared to December 2023**

#### **ASSETS**

The Club has total assets of ₱530.17 million as of December 31, 2024 which decreased ₱19.75 million or 3.59% compared to ₱549.92 million as of December 31, 2023. It has a current ratio of ₱1.06 as of December 31, 2024 and ₱0.93 as of December 31, 2023.

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

Cash and cash equivalents decreased by ₱14.62 million or 15.69%, from ₱93.16 million as of December 31, 2023 to ₱78.54 million as of December 31, 2024 due to net cash provided by operating activities of ₱23.73 million. This was offset by additions to property and equipment of ₱38.57 million.

#### **Trade and Other Receivables**

Trade and other receivables decreased by ₱5.42 million or 19.32% from ₱28.06 million as of December 31, 2023 to ₱22.63 million as of December 31, 2024, mainly due to collections from related parties, concessionaires, and other debtors.

#### **Inventories**

Inventories decreased by ₱0.16 million or 11.71% from ₱1.38 million as of December 31, 2023 to ₱1.22 million as of December 31, 2024. This includes Seven Eleven merchandise, kitchen fuel, and general supplies inventory.

#### **Other Current Assets**

Other current assets showed an increase of ₱4.33 million or 5.76% from ₱75.25 million as of December 31, 2023 to ₱79.58 million as of December 31, 2024, mainly due to the increase of creditable withholding tax, and input vat to be carried over to the succeeding year.

#### **Property and Equipment - net**

Property and equipment increased by ₱0.55 million or 0.17% from ₱332.28 million as of December 31, 2023 to ₱332.83 million as of December 31, 2024, mainly due to the depreciation charges of ₱33.93 million which was offset by additions to property of ₱27.81 million.

#### **Investment Property**

Investment property which consists of land not used in operation remained at its carrying value from 2018 to 2024 amounting to ₱5.55 million.

#### **Net Retirement Asset**

Net retirement asset increased by ₱1.51 million or 50.09% from ₱3.01 million as of December 30, 2023 to ₱4.52 million as of December 31, 2024. This is due to the contributions made to the Golf Club's retirement fund during the period.

## **Other Noncurrent Assets**

Other non-current assets decreased by ₱5.94 million or 52.91% from ₱11.23 million as of December 31, 2023 to ₱5.29 million as of December 31, 2024, mainly due to amortization of computer software amounting to ₱5.35 million.

## **LIABILITIES**

The Club has total liabilities of ₱173.25 million as of December 31, 2024 which decreased by ₱40.01 million or 18.76% compared to ₱213.26 million as of December 31, 2023. It has a liabilities-to-equity ratio of ₱0.49 as of December 31, 2024 and ₱0.63 as of December 31, 2023.

### **Trade and Other Payables**

Trade and other payables decreased by ₱40.44 million or 19.03% from ₱212.51 million as of December 31, 2023 to ₱172.07 million as of December 31, 2024 mainly due to payments made to related parties, concessionaires, and other creditors.

### **Deferred Tax Liability**

Deferred tax liability increased by ₱0.43 million or 57.49%, from ₱0.75 million as of December 31, 2023 to ₱1.19 million as of December 31, 2024.

## **MEMBERS' EQUITY**

The Golf Club's members' equity as of December 31, 2024 of ₱356.91 million was higher by ₱20.26 million or 6.02% compared to ₱336.65 million as of December 31, 2023 due to the net income for the period ended December 31, 2024.

## **December 2023 compared to December 2022**

## **ASSETS**

The Club has total assets of ₱549.92 million as of December 31, 2023 which increased by ₱10.16 million or 1.88% compared to ₱539.76 million as of December 31, 2022. It has a current ratio of ₱0.93 as of December 31, 2023 and ₱0.80 as of December 31, 2022.

### **Cash and Cash Equivalents**

Cash and cash equivalents increased by ₱26.93 million or 40.66%, from ₱66.23 million as of December 31, 2022 to ₱93.16 million as of December 31, 2023 due to net cash provided by operating activities of ₱53.22 million. This was offset by additions to property and equipment of ₱26.24 million.

### **Trade and Other Receivables**

Trade and other receivables decreased by ₱2.06 million or 6.85% from ₱30.12 million as of December 31, 2022 to ₱28.06 million as of December 31, 2023, mainly due to collections from related parties, concessionaires, and other debtors.

## **Inventories**

Inventories increased by ₱0.17 million or 13.91% from ₱1.22 million as of December 31, 2022 to ₱1.38 million as of December 31, 2023. This includes Seven Eleven merchandise, kitchen fuel, and general supplies inventory.

## **Other Current Assets**

Other current assets showed an increase of ₱3.50 million or 4.88% from ₱71.75 million as of December 31, 2022 to ₱75.25 million as of December 31, 2023, mainly due to the increase of creditable withholding tax, and input vat to be carried over to the succeeding year.

## **Property and Equipment - net**

Property and equipment decreased by ₱7.82 million or 2.30% from ₱340.11 million as of December 31, 2023 to ₱332.28 million as of December 31, 2024, mainly due to the depreciation charges of ₱ 38.52 million which was offset by additions to property of ₱30.70 million.

## **Investment Property**

Investment property which consists of land not used in operation remained at its carrying value from 2018 to 2024 amounting to ₱5.55 million.

## **Net Retirement Asset**

Net retirement asset increased by ₱1.65 million or 121.75% from ₱1.36 million as of December 30, 2022 to ₱3.01 million as of December 31, 2023. This is due to the contributions made to the Golf Club's retirement fund during the period.

## **Other Noncurrent Assets**

Other noncurrent assets decreased by ₱12.21 million or 52.10% from ₱23.44 million as of December 31, 2022 to ₱11.23 million as of December 31, 2023, mainly due to amortization of computer software amounting to ₱7.75 million.

## **LIABILITIES**

The Club has total liabilities of ₱213.26 million as of December 31, 2023 which decreased by ₱0.59 million or 0.28% compared to ₱213.86 million as of December 31, 2022. It has a liabilities-to-equity ratio of ₱0.63 as of December 31, 2023 and ₱0.66 as of December 31, 2022.

## **Trade and Other Payables**

Trade and other payables increased by ₱0.78 million or 0.37% from ₱211.73 million as of December 31, 2022 to ₱212.51 million as of December 31, 2023 mainly due to payments made to related parties, concessionaires, and other creditors.

## **Deferred Tax Liability**

Deferred tax liability decreased by ₱1.37 million or 64.57%, from ₱2.12 million as of December 31, 2022 to ₱0.75 million as of December 31, 2023.

## **MEMBERS' EQUITY**

The Golf Club's members' equity as of December 31, 2023 of ₱336.65 million was higher by ₱10.75 million or 3.30% compared to ₱325.90 million as of December 31, 2022 due to the net income for the period ended December 31, 2023.

### **Schedule of Financial Soundness Indicators - As of December 31, 2025, 2024 and 2023.**

<i>Performance Indicators</i>	<i>Formula for Calculation</i>	<i>December 31, 2025 (Audited)</i>	<i>December 31, 2024 (Audited)</i>	<i>December 31, 2023 (Audited)</i>
Current ratio	Total current assets over total current liabilities	1.26: 1.00	1.06: 1.00	0.93 : 1.00
Acid Test Ratio	Total current assets less inventories and other current assets over total current liabilities	0.80 : 1.00	0.59 : 1.00	0.57 : 1.00
Solvency Ratio	Net income before depreciation over total liabilities	43.13%	36.90%	27.54%
Liabilities to equity ratio	Total liabilities over total members' equity	0.38 : 1.00	0.49 : 1.00	0.63 : 1.00
Asset-to-Equity ratio	Total assets over total equity	1.38: 1.00	1.49: 1.00	1.63 : 1.00
Return on Equity	Net income over average total member's equity	4.52%	5.76%	3.76%
Return on Assets	Net income over average total assets	3.16%	3.70%	2.29%
Net Profit Margin (Profitability Ratio)	Net income over total revenues	12.11%	14.11%	9.01%

During the year ended December 31, 2025, 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, 2025, except as reported in the MD&A.

**TAGAYTAY HIGHLANDS INTERNATIONAL GOLF CLUB, INC.**  
**(A Nonprofit Corporation)**

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**NOTES TO FINANCIAL STATEMENTS**

1. The Golf Club's financial report is in compliance with Philippine Financial Reporting Standards (PFRS). The accounting policies and methods of computation followed in the annual financial statements as of December 31, 2025 are the same as compared with the annual financial statements as of December 31, 2024.
2. There are no material events or uncertainties known to management that had a material impact on the seasonal aspects of the Golf Club's results of operations.
3. There are no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidents.
4. There are no material changes in estimates of amounts reported in the current financial year or changes in estimates of amounts reported in prior financial years.
5. There are no material events subsequent to the end of the accounting period that have not been reflected in the financial statements for the period December 31, 2025.
6. There are no material changes in the composition of the Club during the accounting period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations.
7. The Golf Club has no contingent liabilities or contingent assets.
8. There are no material contingencies existing as of December 31, 2025 that can have a material effect in the decision making of the financial statement users.
9. The Golf Club did not purchase any interest in another entity that is to be considered as a business combination under PFRS 3.

10. The Golf Club applies PFRS 16 (Leases) using the modified retrospective approach, with an initial application date of January 1, 2019. The Golf Club has not restated the comparative information, which continues to be reported under PAS 17.
11. The Golf Club applied Philippine Interpretation IFRIC 23 (Uncertainty over Income Tax Treatments) and have no impact on the Golf Club's financial position or performance.
12. The Golf Club applied PFRS 9 using the modified retrospective approach, with an initial application date of January 1, 2018. The Golf Club has not restated the comparative information, which continues to be reported under PAS 39.
13. The Golf Club applies PFRS 15 (Revenue from Contracts with Customers) using the modified retrospective approach, with an initial application as of January 1, 2018.

#### **Item 7. Financial Statements**

The audited balance sheets as of December 31, 2025 and as of December 31, 2024 and the related statements of revenues and expenses and cash flows for the period ended December 31, 2025 are attached herewith as part of this Form 17-A. Also accompanying the financial statements is a statement of management's responsibility over them.

#### **Item 8. Changes in and 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 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.

#### **Independent Public Accountants, External Audit Fees and Services**

Reyes Tacandong & Co. ("RT&Co"), is the Club's external auditor for 2025 and will be recommended for re-appointment as such for the current year. Representatives of RT&Co 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 has been no event where RT&Co. and the Club have had any disagreement regarding any matter relating to accounting principles or practices, disclosure of financial statements or auditing scope of procedure.

In compliance with the SRC Rule 68, paragraph 3 (b) and (ix) (Rotation of External Auditors) which states that signing partner shall be rotated after every five (5) years of engagement with a two-year cooling-off period for the re-engagement of the same signing partner, the Club engaged Belinda B. Fernando of RT&Co. for the examination of financial statements of 2021- 2025.

The Club paid RT&Co. ₱368,000.00 for external audit services for 2025 and ₱320,000.00 for external audit services for 2024. For each of the last two (2) fiscal years, Reyes Tacandong & Co. 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. Johnip G. Cua as Chairman, Mr. Hans T. Sy and

Mr. Roger S. Go 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.

### PART III - CONTROL AND COMPENSATION INFORMATION

#### Item 9. Directors and Executive Officers of the Issuer

The following are the incumbent Directors and Executive Officers of 31 January 2026 of the Golf Club:

Name	Nationality	Position	Age	Term of Office
Hans T. Sy	Filipino	Director & Chairman	70	Since 1992
Willy N. Ocier	Filipino	Director & Vice Chairman	69	Since 1992
Jerry C. Tiu	Filipino	Director & President	68	Since 1999
Manuel A. Gana	Filipino	Vice President & Treasurer	68	Since 2000
A. Bayani K. Tan	Filipino	Director	70	Since 1992
Armin Raquel A. Santos	Filipino	Director	58	Since 2013
Gabriel Singson Jr.	Filipino	Director	60	Since 2015
Harvey Christopher T. Sy	Filipino	Director	38	Since 2023
Johnip G. Cua	Filipino	Lead Independent Director	69	Since 2021
Roger S. Go	Filipino	Independent Director	70	Since 2021
Olivia Lara S. Vicente	Filipino	Independent Director	41	Since 2023
Ma. Clara T. Kramer	Filipino	General Manager	64	Since 2010
Anna Francesca C. Respicio - Garcia	Filipino	Corporate Secretary	40	Since 2021

Upon recommendation of the Golf Club's Corporate Governance Committee, as required by the Club's Manual of Corporate Governance, the following persons were nominated for election to the positions above stated for the year 2025-2026, to hold office as such for one year or until their successors shall have been duly elected and qualified.

Presented below are brief write-ups on the business experience for at least the past five (5) years of the Club's incumbent Directors:

#### Hans T. Sy – Chairman

Mr. Hans T. Sy, 70, Filipino, is the Chairman of the Board of the Golf Club. He is a Director of the Tagaytay Midlands Golf Club, Inc. since 1992, The Country Club at Tagaytay Highlands, Inc. since 1996, and The Spa and Lodge at Tagaytay Highlands since 2021. Currently he is the Chairman of the Executive Committee of SM Prime Holdings, Inc. 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 holds a Bachelor of Science degree in Mechanical Engineering from De La Salle University

### **Willy N. Ocier – Vice Chairman**

Mr. Willy N. Ocier, 69, Filipino, is the Vice-Chairman of the Board of the Golf Club. He is also the Chairman of the Board of Tagaytay Midlands Golf Club, Inc., and a Director of The Country Club at Tagaytay Highlands. He is likewise the Executive Director and Chairman of Belle Corporation, the Chairman and Director of Premium Leisure Corp., APC Group, Inc., Pacific Online Systems Corporation, Total Gaming and Technologies, Inc. and Premium Leisure and Amusement, Inc. He is also Vice Chairman of Highlands Prime, Inc. He is also the Chairman, President, and Chief Executive Officer of Philippine Global Communications, Inc., He is a Director of Leisure and Resorts World Corporation. He also sits as a Director to the following unaffiliated corporations, IVantage 13 Equities, Philequity Management, Inc., Abacore Capital Holdings, Inc. and Toyota Corporation Batangas. He was formerly President and Chief Operating Officer of Eastern Securities Development Corporation.

Mr. Ocier 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 – President**

Mr. Jerry C. Tiu, 68, Filipino, is the President of the Golf Club. He is also the President of The Country Club at Tagaytay Highlands, Inc., Tagaytay Midlands Golf Club, Inc., and The Spa & Lodge at Tagaytay Highlands, 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. He is also a Vice President and a member of the Board 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 is an Independent Director of APC Group, Inc. and Premium Leisure Corp since 2021. He is a former Director of the Manila Polo Club.

Mr. Tiu holds a Bachelor of Science degree in Commerce (Major in Marketing) from University of British Columbia.

### **Manuel A. Gana – Vice President & Treasurer**

Mr. Manuel A. Gana, 68, Filipino, is a Director, and the Vice President and Treasurer of the Golf Club. He is currently a Board Adviser of Belle Corporation, and served as its President and Chief Executive Officer from March 2017 to April 2022. Previously, he served as Belle Corporation's Executive Vice President and Chief Financial Officer from 2000 to 2017, and as Vice President of Finance and Chief Financial Officer from 1997 to 1999 for MagiNet Corporation, which was then a subsidiary of Sinophil Corporation (now called Premium Leisure Corp.), a subsidiary of Belle. Prior to his career at the Belle Group, he was a Director of Investment Banking at Nesbitt Burns Securities Inc. in New York, USA. He also previously worked for Bank of Montreal and Merrill Lynch Capital Markets (both in New York, USA), and for Procter & Gamble Philippine Manufacturing Corporation.

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.

### **A. Bayani K. Tan – Director**

Mr. A. Bayani K. Tan, 70, Filipino, is a Director of the Corporation (since November 1993). He is also a Director of Discovery World Corporation (since March 2013) and the Corporate Secretary of Coal Asia Holdings, Inc. (since July 2012), both of which are Publicly-Listed Companies). He holds various positions in the following private companies: Director of Sterling Bank of Asia Inc (A Savings Bank) (since December 2006), Managing Director Shamrock Development Corporation (since May 1988), Chairman of Destiny LendFund, Inc. (since June 2020), Director of BluePanel Equities and Resources, Inc. (since April 2019), Pascual Laboratories, Inc. (since March 2014), and Pure Energy Holdings Corporation (since October 2016). Mr. Tan also holds various positions in the following non-stock non-profit Corporations: Chairman of Anhawan Foundation, Inc. (since February 2023) and Chairman of Guimaras Forest Foundation, Inc. (since August 2021), ViceChairman of St. Scholastica's College Manila (since October 2021), Chairman and President of the SCTan Foundation, Inc. (established in 1985), President of Catarman Chamber Integrated 14 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 WeSolve Foundation, Inc. (since May 2021). He is a member and Corporate Secretary of the Philippine Jesuit Aid Association, Inc. (since August 2011). He is the Founding and Senior Partner of the law offices of Tan Venturanza Valdez (established in 1988).

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.

### **Armin Antonio B. Raquel Santos – Director**

Mr. Armin Antonio B. Raquel Santos, 58, Filipino, is a Director of Golf Club. He is the Executive Director, President and Chief Executive Officer of both Premium Leisure Corp. and its subsidiary PremiumLeisure and Amusement, Inc. He is also a Director of Belle Corporation, Pacific Online 15 Systems Corporation, Pinoy Lotto Technologies Corporation and Sagittarius Mines, Inc. He is also a member of the Board of Trustees of Melco Resorts (Philippines) Foundation Corporation. He is likewise a Director of the Manila Golf and Country Club, Inc.

Formerly he was Chief Finance Officer of Aboitizland, Inc., Cebu Industrial Park, Inc., Mactan Economic Zone II and First Philippine Electric Company. He was also former Governor of the Board of Investments (BOI), served as Assistant Secretary with the Department of Trade and Industry (DTI), Vice Chairman and Chief Executive Officer of Philippine Retirement Authority (PRA), Executive Vice President of Philippine International Trading Corporation (PITC), and Deputy Administrator of Subic Bay Metropolitan Authority (SBMA). His experience includes stints with multinational companies; Securities 2000 Inc. (Singapore Technologies Group) and First Chicago Trust Company of New York.

Mr. Raquel Santos holds a Master of Arts in Liberal Studies from Dartmouth College, U.S.A. and Bachelor of Science in Business Administration Major in Finance from Iona College, U.S.A.

### **Gabriel Singson Jr. – Director**

Mr. Gabriel R. Singson, Jr., 60, Filipino, is a Director of the Golf Club. He is the President of ST Clark Corporation from 2021 to present. He is also the Chairman and President of Oak Drive Ventures, Inc. since 2010. He is the Chairman of the Board of Sandy Beach Hotels and Resorts since 2021 and Outcomm, Inc. since 2000.

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.

### **Harvey Christopher T. Sy Jr. – Director**

Mr. Harvey Christopher T. Sy, 38, Filipino, is a Director of the Golf Club since April 2023. He is currently the Assistant Vice President for Planning and Design of SM Prime Holdings, Inc.

Mr. Sy obtained his Bachelor of Architectural Design degree at Royal Melbourne Institute of Technology (RMIT) in 2010, and his Master of Architecture from RMIT in 2012. He completed his Graduate Diploma of Business Management at Melbourne Business School in 2020.

### **Johnip G. Cua – Lead Independent Director**

Mr. Johnip G. Cua, 69, Filipino, is the Lead Independent Director of the Golf Club. He is also the Chairman of The Spa and Lodge at Tagaytay Highlands, Inc. He is the Chairman and President of Taibrews Corporation since 2011. He is also the Chairman of the Board of Trustees of the P&Gers Fund, Inc. since 2009 and Xavier School, Inc. since 2012. He is a Director of Interbake Marketing, Inc. since 1991, Teambake Marketing, Inc. since 1994, Lartizan Corporation since 2007 and Zenori Corporation since 2018. He is an Independent Director of MacroAsia Corporation since 2006, MacroAsia Catering Services, Inc. since 2007, MacroAsia Airport Services Corporation since 2007, PhilPlans First, Inc. since 2009, Allied Botanical Corporation since 2012, MacroAsia Properties Development Corporation since 2013, PAL Holdings, Inc. since 2014, Philippine Airlines, Inc. since 2014, First Aviation Academy since 2017, LT Group, Inc. since 2018, Tanducay Distillers, Inc. since 2018 and Asia Brewery, Inc. since 2018. He is also a Trustee of Xavier School Educational & Trust Fund since 1996 and a Trustee and Treasurer of MGCC Foundation, Inc. since 2015. He is also a former President and Director of Procter & Gamble Philippines, Inc.

Mr. Cua obtained his Bachelor of Science degree in Chemical Engineering from the University of the Philippines (Diliman) in 1978.

### **Roger S. Go – Independent Director**

Mr. Roger S. Go, 70, Filipino, is an Independent Director of the Golf Club. He is the President of Powerball Gaming and Entertainment Corporation since 2015 and Powerball Marketing & Logistics Corp since 2016. He is the former Senior Vice President of Pacific Online Systems Corporation from 2007 to 2015.

Mr. Go obtained his Bachelor of Science degree in Industrial Management Engineering from De La Salle University in 1978.

### **Olivia Lara S. Vicente – Independent Director**

Ms. Olivia Lara S. Vicente, 41, Filipino, is a licensed real estate broker. Previously, she served as Ernst and Young's Corporate Finance Analyst from 2006 to 2008. She graduated from the Ateneo de Manila University with a degree in AB Economics in 2006. She completed her Masters in Entrepreneurship from the Ateneo Graduate School of Business in 2012.

### **Executive Officers**

#### **Maria Clara T. Kramer – General Manager**

Ms. Maria Clara T. Kramer, 64, Filipino, is the General Manager of Tagaytay Highlands International 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 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.

#### **Anna Francesca C. Respicio – Corporate Secretary**

Atty. Anna Francesca C. Respicio, 40, Filipino, is the Corporate Secretary of the Club. She also serves as Corporate Secretary of Tagaytay Midlands Golf Club, Inc., The Country Club at Tagaytay Highlands, Inc., and The Spa and Lodge at Tagaytay Highlands, Inc. She is likewise the Corporate Secretary of the following reporting and/or listed companies: I-Remit, Inc. (2013 to date), Jolliville Holdings Corporation (2014 to date), Discovery World Corporation (2017 to date), and Sterling Bank of Asia, Inc. (A Savings Bank) (2018 to date).

Atty. Respicio obtained her Bachelor of Arts degree (majored in philosophy) in 2007 and her Juris Doctor degree in 2011 from the Ateneo de Manila University. She likewise passed the real estate brokers licensure examination in 2015. She was admitted to the Philippine Bar in April 2012 and is currently a Partner at Tan Venturanza Valdez.

### **Significant Employee**

The Golf Club has no significant employees.

### **Family Relationships**

Harvey Christopher T. Sy is the son of Hans T. Sy.

### **Involvement in Certain Legal Proceedings**

The Club is not aware of any of the following events wherein any of its directors, executive officers, underwriter, or control persons were involved during the past five (5) years up to the latest date:

- 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.

#### Item 10. Executive Compensation

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

##### SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary (Php)	Bonus (Php)
Jerry C. Tiu (President)	2022		
	2023		
	2024		
Maria Clara T. Kramer (General Manager)	2022		
	2023		
	2024		
Total Salaries	2023	8,597,915	
	2024	9,260,531	
	<b>2025</b>	9,882,505	

#### Item 11. Security Ownership of Certain Beneficial Owners and Management

- (1) 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 December 31, 2025.

TITLE OF CLASS	NAME AND ADDRESS OF RECORD OWNER AND RELATIONS WITH THE ISSUER	NAME OF BENEFICIAL OWNER AND RELATIONSHIP WITH RECORD OWNER	NO. OF SHARES HELD	PERCENT OF CLASS
Proprietary share	Belle Corporation* 28/F East Tower Phil. Stock Exchange Centre, Exchange Road Ortigas Center, Pasig City, Metro Manila	Same as record owner	1,325 shares	44.81%

\*\*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, Mr. Armin Antonio B. Raquel Santos, Mr. Jacinto C. Ng, Jr., Mr. Gregorio L. Domingo, Ms. Maria Gracia P. Tan, Mr. Paquito N. Ochoa, Jr., and Mr. Laurito E. Serrano.

The top 20 stockholders of Belle Corporation (as of 31 December 2025) are as follows:

	STOCKHOLDERS	TYPE / CLASS	OUTSTANDING & ISSUED SHARES
1	Belleshare Holdings, Inc.	Common	2,604,740,622
2	PCD Nominee Corporation (Filipino)	Common	2,601,171,805
3	PCD Nominee Corporation (Non-Filipino)	Common	1,896,683,975
4	Sysmart Corporation	Common	1,625,199,505
5	Sybase Equity Investments Corporation.	Common	525,073,578
6	Social Security System	Common	442,402,788
7	Ng, Jacinto C. 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	F. Yap Securities, Inc.	Common	57,803,732
14	Eastern Sec. Devt. Corp.	Common	50,000,000
15	Willy N. Ocier	Common	47,026,709
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 or Philip K. Yap	Common	3,500,000

(2) 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 December 31, 2026:

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>Manuel A. Gana</b> [REDACTED]	1 share/Beneficial	Filipino	0.03%

TITLE OF CLASS	NAME OF BENEFICIAL OWNER	AMOUNT AND NATURE OF OWNERSHIP	CITIZENSHIP	PERCENT OF CLASS
Proprietary Share	<b>A. Bayani K. 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>Gabriel R. Singson, Jr.</b> [REDACTED]	1 share/Beneficial	Filipino	0.03%
Proprietary Share	<b>Harvey Christopher T. Sy</b> [REDACTED]	1 share/Beneficial	Filipino	0.03%
Proprietary Share	<b>Johnip G. Cua</b> [REDACTED]	1 share/Beneficial	Filipino	0.03%
Proprietary Share	<b>Roger S. Go</b> [REDACTED]	1 share/Beneficial	Filipino	0.03%
Proprietary Share	<b>Olivia Lara S. Vicente</b> [REDACTED]	1 share/Beneficial	Filipino	0.03%
Aggregate Security Ownership of Directors and Officers		11 shares		0.33%

(3) 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.

(4) Changes in Control

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

**Item 12. 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 a major shareholder of the Golf Club owning 1,325 shares or 44.81% of the total outstanding shares of the Golf Club.

## PART IV – CORPORATE GOVERNANCE

### Item 13. Corporate Governance

The Club remains focused on ensuring 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 Club submitted its Corporate Governance Manual (the "Manual") to the SEC. This manual institutionalizes the principles of good corporate governance in the entire Club. The 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 Club's shareholders and other stakeholders, which include, among others, clients, employees, suppliers, financiers, government, and community in which operates. The Club undertakes every effort possible to create awareness throughout the entire organization.

The Club has complied with the relevant SEC circulars and rules on good corporate governance. The Club also appointed members of various Board level committees. These committees consist of the Corporate Governance Committee (tasked with ensuring compliance with and proper observance of corporate governance principles and practices), the Board Risk Oversight Committee (tasked to assist the Board in overseeing the Club's practices and processes relating to risk assessment and risk management; maintaining an appropriate risk culture, reporting financial and business risks and associated internal controls, and the Audit Committee (tasked to represent and assist the Board in its general oversight of the Club's accounting and financial reporting processes, audits of the financial statements, and internal control and audit functions.)

A Compliance Officer was also appointed. Members of various committees are elected annually and to serve for a term of one (1) year.

As proof of compliance with leading practices and principles of Good Governance, the Club has formally adopted a manual on Corporate Governance and submits to SEC its Annual Corporate Governance Reports on time every year.

The Board establishes the major goals, policies, and objectives of the Club, as well as the means to monitor and evaluate the performance of Management. The Board also ensures that an adequate internal control mechanism is implemented and properly complied with at all levels.

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

## PART V - EXHIBITS AND SCHEDULES

### Item 14. Exhibits and Reports on SEC Form 17-C

#### (a) Exhibits

Exhibit "B"	Financial Statements (meeting the requirements of RSA Rule 48-1) Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Shareholders (Other than Affiliates)
Exhibit "D"	Indebtedness to Unconsolidated Subsidiaries and Affiliates
Exhibit "E"	Property and Equipment
Exhibit "F"	Accumulated Depreciation
Exhibit "K"	Proprietary Certificates

#### (b) Reports on SEC Form 17-C

The following SEC Form 17-C was filed pursuant to the provision of the Securities Regulation Code:

Date Filed	Information
06 August 2025	2025 ASM Schedule and Record Date
15 September 2025	Results of 2025 ASM and OBD Meetings

**SIGNATURES**

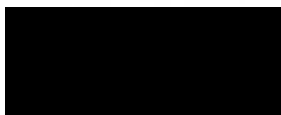
Pursuant to the requirements of Section 17 of the SRC and Section 177 of the Revised Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of \_\_\_\_\_ on \_\_\_\_\_.



**JERRY C. TIU**  
Director / President



**MANUEL A. GANA**  
Vice President / Treasurer



**MA. PERLITA B. MENGUITO**  
General Manager



**KARREN T. PENALBA**  
OIC - Finance

**SUBSCRIBED AND SWORN** to before me this MAY 05 2026 2026 affiants exhibiting to me their Competent Evidence of Identity, as follows:

NAME	COMPETENT EVIDENCE OF IDENTITY (C.E.I.)	EXPIRY DATE	PLACE OF ISSUE
JERRY C. TIU	[REDACTED]	[REDACTED]	DFA NCR EAST
MA. PERLITA B. MENGUITO	[REDACTED]	[REDACTED]	DFA MANILA
MANUEL A. GANA	[REDACTED]	[REDACTED]	DFA MANILA
KARREN T. PEÑALBA	[REDACTED]	[REDACTED]	BIR

Doc. No. 447;  
Page No. 91;  
Book No. 247;  
Series of 2026.



**ATTY. VALENTIN C. GUANIO**  
IP Riza Ave., Kaybagal South, Tagaytay City  
Commission Expires on DECEMBER 31, 2026  
PTR No. 6620380/January 5, 2026  
ROLL No. 22908  
IBP LIFETIME RES. NO. 02892  
MCLE COMPLIANCE NO. VIII-0024028



**SIGNATURES**

Pursuant to the requirements of Section 17 of the SRC and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Pasig on 11 MAY 2026 2026.

By:

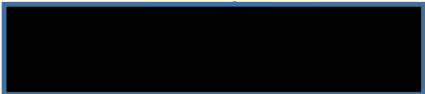


**ANNA FRANCESCA C. RESPICIO**  
Corporate Secretary

**SUBSCRIBED AND SWORN** to before me this 11 MAY 2026 day 2026 of at Pasig City, Metro Manila, affiant having exhibited to me her  issued on 15 December 2021 at DFA Manila and  as her competent evidence of identity.

Doc. No. 27 ;  
Page No. 7 ;  
Book No. II ;  
Series of 2026.



  
**ALTHEA DOMITILDE E. MALIWANAG**  
Notary Public for  
Pasig City and Municipality of Pateros  
Appointment No. 107 (2026-2027)  
Commission Expires on December 31, 2027  
2704 East Tower, Takite Towers, Exchange Road  
Ortigas Center, 1605 Pasig City  
PTR No. 3986121/01.14.26/Pasig City  
IBP No. 576298/12.29.25/Quezon  
Roll of Attorneys No. 86401  
MCLEC No. VIII-0039127/06.27.25

**TAGAYTAY HIGHLANDS INTERNATIONAL GOLF CLUB, INC.**  
(A Nonprofit Corporation)

**INDEX TO THE FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES**

**FORM 17-A, Item 7**

	Page No. _____
<b>Financial Statements</b>	
Statement of Management's Responsibility for Financial Statements	
Independent Auditor's Report	
Statements of Financial Position as of December 31, 2025 and 2024	
Statements of Comprehensive Income	
For the years ended December 31, 2025 and December 31, 2024, and December 31, 2023	
Statements of Changes in Members' Equity	
For the years ended December 31, 2025 and December 31, 2024, and December 31, 2023	
Statements of Cash Flows	
For the years ended December 31, 2025 and December 31, 2024, and December 31, 2023	
Notes to Financial Statements	
<b>Supplementary Schedules</b>	
Independent Auditor's Report on Supplementary Schedules	
<b>Supplementary Schedules Required by Annex 68- E</b>	
A. Financial Assets	NA
B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)	NA
C. Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements	NA
D. Long-term Debt	NA
E. Indebtedness to Related Parties	NA
F. Guarantees of Securities of Other Issuers	NA
G. Capital Stock	Attached

**TAGAYTAY HIGHLANDS INTERNATIONAL GOLF CLUB, INC.  
SUPPLEMENTARY SCHEDULES REQUIRED BY ANNEX 68-E  
DECEMBER 31, 2025**

**Schedule A. Financial Assets**

Name of Issuing Entity and Association of Each Issue	Amount Shown in the Statement of Financial Position	Income Received and Accrued
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Not Applicable: The Golf Club has no financial assets measured at fair value through profit or loss.

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**Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)  
As at December 31, 2025**

Name and Designation	Balance as at January 1, 2025	Additions	Deductions		Current	Non-Current	Balance as at December 31, 2025
			Amount Collected	Amount Written Off			
Not Applicable: All receivables arise from the ordinary course of business.							

**Schedule C - Amounts Receivable from and Payable to Related Parties which are eliminated during the Consolidation of Financial Statements  
As at December 31, 2025**

*Due from subsidiaries*

Name and Designation	Balance as at January 1, 2025	Additions	Deductions		Current	Non- Current	Balance as at December 31, 2025
			Amount Collected	Amount Written Off			
<u>Not Applicable: The Golf Club does not prepare consolidated financial statements.</u>							

**Schedule D - Long Term Debt**  
**As at December 31, 2025**

Title of Issue and Type of Obligation	Amount Authorized by Indenture	Amount shown under caption "Current portion of long-term debt" in related balance sheet	Amount shown under caption "Long term debt" in related balance sheet
Not Applicable: The Golf Club has no long-term debt.			

**Schedule E - Indebtedness to Related Parties**  
**As at December 31, 2025**

Name	Balance, January 1, 2025	Balance, December 31, 2025
Not Applicable: The Golf Club has no long-term indebtedness to a related party.		

**Schedule F - Guarantees of Securities of Other Issuers  
As at December 31, 2025**

Name of Issuing Entity of Securities Guaranteed by the Club for which this statement is filed	Title of Issue of Each Class of Securities Guaranteed	Total Amount Guaranteed and Outstanding	Amount Owned by Person for which the Statement is Filed	Nature of Guarantee
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Not Applicable: The Golf Club has no guarantees of securities of other issuers.

**Schedule G - Capital Stock**  
**December 31, 2025**

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding	Number of Shares Reserved for Options, Warrants, Conversions, and Other Rights	Number of Shares Held By		
				Related parties	Directors, Officers and Employees	Others
Common	3,000	2,957	–	1,325	13	1,619

**TAGAYTAY HIGHLANDS INTERNATIONAL GOLF CLUB, INC.**  
(A Nonprofit Corporation)

**INDEX TO EXHIBITS**

**FORM 17-A**

	<u>Page No.</u>
<b>Financial Statements</b>	
(3) Plan of Acquisition, Reorganization, Arrangements, Liquidation, or Succession	NA
(5) Instruments Defining the Rights of Security Holders, Including Indentures	NA
(8) Voting Trust Agreement	NA
(9) Material Contracts	NA
(10) Annual Report to Security Holders, Form 11-Q or Quarterly Report to Security Holders	NA
(13) Letter re: Change in Certifying Accountants	NA
(16) Report Furnished to Security Holders	NA
(18) Subsidiaries of the Registrant	NA
(19) Published Report Regarding Matters Submitted to Vote of Security Holders	NA
(20) Consent of Experts and Independent Counsel	NA
(21) Power of Attorney	NA
(29) Additional Exhibits	NA
NA - Not Applicable	

# COVER SHEET

## for AUDITED FINANCIAL STATEMENTS

SEC Registration Number

A	S	O	9	1	1	9	0	7	3	1
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### COMPANY NAME

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	.																																

### PRINCIPAL OFFICE (No./Street/Barangay/City/Town/Province)

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	,		P	H	I	L	I	P	P	I	N	E	S							

Form Type

A	A	F	S
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Department Requiring the Report

C	R	M	D
---	---	---	---

Secondary License Type, If Applicable

N	/	A
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### COMPANY INFORMATION

Company's Email Address

claire.kramer@tagaytayhighlands.com

Company's Telephone Number

[REDACTED]

Mobile Number

[REDACTED]

No. of Stockholders

1,539

Annual Meeting (Month / Day)

Last Saturday of May

Fiscal Year (Month / Day)

December 31

### CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

Ms. Ma. Clara T. Kramer

Email Address

claire.kramer@tagaytayhighlands.com

Telephone Number

-

Mobile Number

[REDACTED]

### CONTACT PERSON'S ADDRESS

Tagaytay Highlands Complex, Barangay Calabuso, Tagaytay City, Philippines

**NOTE 1:** In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

**2:** All boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt shall not excuse the corporation from liability for its deficiencies.



**STATEMENT OF MANAGEMENT'S RESPONSIBILITY  
FOR FINANCIAL STATEMENTS**

The management of Tagaytay Highlands International Golf Club, Inc. (the Company) is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2025, 2024 and 2023, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein and submits the same to the stockholders.

Reyes Tacandong & Co., the independent auditor appointed by the stockholders for the periods December 31, 2025, 2024 and 2023, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

Hans T. Sy  
**Chairman of the Board**

Jerry C. Tiu  
**President**

Manuel A. Gana  
**Vice President / Treasurer**

Signed this 05 day of May, 2026.

SUBSCRIBED AND SWORN to before me this MAY 05 2026 day of \_\_\_\_\_, 2026 affiants exhibiting to me their competent evidence of identity, as follows

NAME	Competent Evidence of Identity	Expiry Date	Place of Issue
HANS T. SY	[REDACTED]	[REDACTED]	[REDACTED]
JERRY C. TIU			
MANUEL A. GANA			

Doc. No. 442 ;  
Page No. 90 ;  
Book No. 247 ;  
Series of 7070 .



~~ATTY. VALENTIN C. GUANIO~~  
117 Riza Ave., Kaybagal South, Tagaytay City  
Commission Expires on DECEMBER 31, 2026  
PTR No. 6620380/January 5, 2026  
ROLL No. 22908  
IBP LIFETIME RES. NO. 02892  
MICLE COMPLIANCE NO. VIII-0024020



## INDEPENDENT AUDITORS' REPORT

The Stockholders and the Board of Directors  
Tagaytay Highlands International Golf Club, Inc.  
Tagaytay Highlands Complex  
Barangay Calabuso, Tagaytay City, Philippines

### *Opinion*

We have audited the financial statements of Tagaytay Highlands International Golf Club, Inc. (the Company), which comprise the statements of financial position as at December 31, 2025 and 2024, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years ended December 31, 2025, 2024 and 2023, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years ended December 31, 2025, 2024 and 2023 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

### *Basis for Opinion*

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to the audit of the financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Other Information*

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement) and SEC Form 17-A (Annual Report) for the year ended December 31, 2025, but does not include the financial statements and our auditors' report thereon. The SEC Form 20-IS and SEC Form 17-A for the year ended December 31, 2025 are expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, these could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

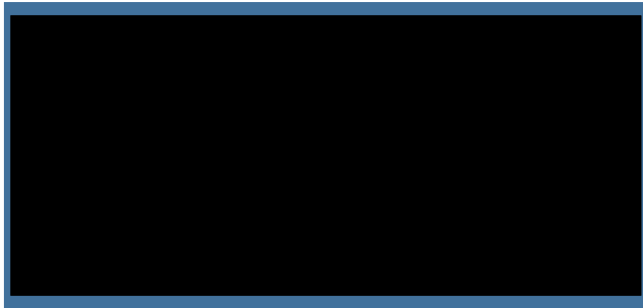


We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

**REYES TACANDONG & Co.**



CHRISTINA A. JOSÉ  
Partner



April 18, 2026  
Makati City, Metro Manila

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

**STATEMENTS OF FINANCIAL POSITION**

		<b>December 31</b>	
	Note	2025	2024
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	<b>₱84,960,163</b>	₱78,544,718
Trade and other receivables	5	<b>26,329,033</b>	22,634,098
Inventories		<b>1,272,224</b>	1,222,373
Creditable withholding taxes (CWT)		<b>58,447,304</b>	56,585,976
Other current assets	6	<b>4,844,348</b>	22,996,316
Total Current Assets		<b>175,853,072</b>	181,983,481
<b>Noncurrent Assets</b>			
Property and equipment	7	<b>325,942,744</b>	332,831,127
Investment property	8	<b>5,545,392</b>	5,545,392
Net retirement asset	17	<b>1,682,970</b>	4,518,947
Other noncurrent assets	9	<b>4,065,624</b>	5,286,450
Total Noncurrent Assets		<b>337,236,730</b>	348,181,916
		<b>₱513,089,802</b>	₱530,165,397
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liability</b>			
Trade and other payables	10	<b>₱139,733,041</b>	₱172,067,677
<b>Noncurrent Liability</b>			
Deferred tax liabilities	19	<b>438,293</b>	1,185,458
Total Liabilities		<b>140,171,334</b>	173,253,135
<b>Equity</b>			
Proprietary membership certificates	12	<b>910,736,853</b>	910,736,853
Additional paid-in capital	12	<b>35,000,000</b>	35,000,000
Deficit		<b>(575,915,826)</b>	(592,410,751)
Cumulative remeasurement gain on net retirement asset - net of deferred tax	17	<b>3,097,441</b>	3,586,160
Total Equity		<b>372,918,468</b>	356,912,262
		<b>₱513,089,802</b>	₱530,165,397

*See accompanying Notes to Financial Statements.*

**TAGAYTAY HIGHLANDS INTERNATIONAL GOLF CLUB, INC.**  
**STATEMENTS OF COMPREHENSIVE INCOME**

		<b>Years Ended December 31</b>		
	Note	2025	2024	2023
<b>REVENUES</b>				
Food, beverage and sundries		<b>₱77,273,992</b>	₱82,195,345	₱86,962,014
Green fees		<b>34,380,945</b>	35,967,938	31,093,532
Golf cart and locker rental		<b>14,926,256</b>	13,843,632	10,621,496
Room sales		<b>8,217,435</b>	8,045,441	8,401,976
Others		<b>1,360,301</b>	1,389,677	1,175,093
		<b>136,158,929</b>	141,442,033	138,254,111
<b>COSTS AND EXPENSES</b>				
Cost of sales	14	<b>67,130,586</b>	72,501,684	78,776,966
Cost of services	14	<b>139,124,729</b>	146,798,596	131,444,154
General and administrative expenses	15	<b>49,829,066</b>	44,763,832	38,319,751
		<b>256,084,381</b>	264,064,112	248,540,871
<b>OTHER INCOME</b>				
Interest income	4	<b>1,852,512</b>	2,058,511	2,044,528
Other income - net	16	<b>39,087,076</b>	45,558,457	25,568,683
		<b>40,939,588</b>	47,616,968	27,613,211
<b>DEFICIENCY OF REVENUES OVER COSTS AND EXPENSES BEFORE MEMBERS' SUPPORT</b>		<b>(78,985,864)</b>	(75,005,111)	(82,673,549)
<b>MEMBERS' SUPPORT</b>				
Membership dues		<b>94,896,530</b>	95,296,314	94,324,534
<b>EXCESS OF REVENUES AND MEMBERS' SUPPORT OVER COSTS AND EXPENSES</b>		<b>15,910,666</b>	20,291,203	11,650,985
<b>PROVISION FOR (BENEFIT FROM) DEFERRED INCOME TAX</b>		19	<b>(584,259)</b>	332,671
				(803,496)
<b>NET INCOME</b>		<b>16,494,925</b>	19,958,532	12,454,481
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>				
<i>Item not to be reclassified to profit or loss -</i>				
Remeasurement gain (loss) on net retirement asset - net of deferred tax	17	<b>(488,719)</b>	300,177	(1,705,679)
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>₱16,006,206</b>	₱20,258,709	₱10,748,802
<b>BASIC AND DILUTED INCOME PER PROPRIETARY MEMBERSHIP CERTIFICATE</b>				
	13	<b>₱5,578</b>	₱6,750	₱4,212

See accompanying Notes to Financial Statements.

**TAGAYTAY HIGHLANDS INTERNATIONAL GOLF CLUB, INC.**  
**STATEMENTS OF CHANGES IN EQUITY**

	Note	Years Ended December 31		
		2025	2024	2023
<b>PROPRIETARY MEMBERSHIP CERTIFICATES</b>	12	<b>₱910,736,853</b>	₱910,736,853	₱910,736,853
<b>ADDITIONAL PAID-IN CAPITAL</b>	12	<b>35,000,000</b>	35,000,000	35,000,000
<b>DEFICIT</b>				
Balance at beginning of year		<b>(592,410,751)</b>	(612,369,283)	(624,823,764)
Net income		<b>16,494,925</b>	19,958,532	12,454,481
Balance at end of year		<b>(575,915,826)</b>	(592,410,751)	(612,369,283)
<b>CUMULATIVE REMEASUREMENT GAIN ON NET RETIREMENT ASSET -</b>				
Net of Deferred Tax	17			
Balance at beginning of year		<b>3,586,160</b>	3,285,983	4,991,662
Remeasurement gain (loss)		<b>(488,719)</b>	300,177	(1,705,679)
Balance at end of year		<b>3,097,441</b>	3,586,160	3,285,983
		<b>₱372,918,468</b>	₱356,912,262	₱336,653,553

*See accompanying Notes to Financial Statements.*

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

**STATEMENTS OF CASH FLOWS**

	Note	Years Ended December 31		
		2025	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Excess of revenues and members' support over costs and expenses		₱15,910,666	₱20,291,203	₱11,650,985
Adjustments for:				
Depreciation and amortization	7	33,539,524	43,964,456	46,270,580
Reversal of liabilities	16	(4,239,322)	(4,278,845)	(1,348,141)
Interest income	4	(1,852,512)	(2,058,511)	(2,044,528)
Retirement expense	17	2,262,888	2,000,915	1,808,505
Unrealized foreign exchange loss (gain)	16	(70,200)	(222,883)	50,727
Gain on sale of property and equipment	7	(314,850)	(30,000)	–
Loss on retirement of property and equipment	7	–	13,610	–
Operating income before working capital changes		45,236,194	59,679,945	56,388,128
Decrease (increase) in:				
Trade and other receivables		(3,582,344)	5,390,837	2,117,127
Inventories		(49,851)	162,107	(169,069)
Other current assets		18,151,968	(1,413,210)	1,182,125
Increase (decrease) in trade and other payables		(28,081,169)	(36,164,505)	2,128,944
Net cash generated from operations		31,674,798	27,655,174	61,647,255
Income tax paid		(1,861,328)	(2,920,365)	(4,682,266)
Interest received		1,739,921	2,088,828	1,989,991
Benefits paid	17	(92,681)	(429,177)	(1,142,338)
Contributions to the retirement plan	17	–	(2,679,537)	(4,593,492)
Net cash provided by operating activities		31,460,710	23,714,923	53,219,150
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Acquisitions of property and equipment	7	(26,019,051)	(39,181,522)	(30,698,181)
Decrease (increase) in other noncurrent assets		587,056	593,461	4,461,145
Proceeds from sale of property and equipment	7	316,530	30,000	–
Net cash used in investing activities		(25,115,465)	(38,558,061)	(26,237,036)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>				
		6,345,245	(14,843,138)	26,982,114
<b>EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>				
		70,200	222,883	(50,727)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>				
		78,544,718	93,164,973	66,233,586
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>				
		₱84,960,163	₱78,544,718	₱93,164,973
<b>COMPONENTS OF CASH AND CASH EQUIVALENTS</b>				
	4			
Cash on hand		₱2,408,644	₱2,331,936	₱2,049,812
Cash in banks		35,602,308	36,010,654	33,841,942
Cash equivalents		46,949,211	40,202,128	57,273,219
		₱84,960,163	₱78,544,718	₱93,164,973

See accompanying Notes to Financial Statements.

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## TAGAYTAY HIGHLANDS INTERNATIONAL GOLF CLUB, INC.

### NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2025 AND 2024

AND FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

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#### 1. Corporate Information

Tagaytay Highlands International Golf Club, Inc. (the Company) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on May 17, 1991. The Company was established to promote social, recreational and athletic activities among its shareholders by providing and maintaining clubhouses and a golf course on a nonprofit basis, the nucleus of which will be the construction, development and maintenance of a golf course, tennis courts, and other sports and recreational facilities.

The registered office address of the Company is located at Tagaytay Highlands Complex, Barangay Calabuso, Tagaytay City, Philippines.

On August 26, 1991, the SEC granted the Company a permit to offer its proprietary membership certificates to the public (see Note 12). Belle Corporation (Belle), a publicly-listed company in the Philippines, owns 44.81% of the Company's proprietary membership certificates as at December 31, 2025 and 2024.

The Company's financial statements as at December 31, 2025 and 2024 and for the years ended December 31, 2025, 2024 and 2023 were approved and authorized for issuance by the Board of Directors (BOD) on April 18, 2026, as reviewed and recommended for approval by the Audit Committee on the same date.

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#### 2. Summary of Material Accounting Policy Information

##### **Basis of Preparation and Statement of Compliance**

The financial statements of the Company have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards issued by the Philippine Financial and Sustainability Reporting Standards Council and adopted by the SEC. This financial reporting framework includes PFRS Accounting Standards, Philippine Accounting Standards (PAS), Philippine Interpretations from the International Financial Reporting Interpretations Committee and SEC pronouncements.

The material accounting policy information used in the preparation of the financial statements have been consistently applied to all the years presented, unless otherwise stated.

##### **Measurement Bases**

The financial statements are presented in Philippine Peso, the Company's functional currency. All values represent absolute amounts, unless otherwise indicated.

The financial statements of the Company have been prepared on a historical cost basis, except for plan assets which is measured at fair value and retirement liability which is measured at the present value of defined benefit obligation. Historical cost is generally based on the fair value of the consideration given in exchange for an asset and fair value of the consideration received in exchange for incurring a liability.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company uses market observable data to the extent possible when measuring the fair value of an asset or a liability. Fair values are categorized into different levels in a fair value hierarchy based on inputs used in the valuation techniques as follows:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values are included in Notes 8 and 20 to the financial statements.

#### **Adoption of Amendments to PFRS Accounting Standards**

The material accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the amendments to PAS 21, *The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability*, effective for annual periods beginning on or after January 1, 2025.

The amendments clarify when a currency is considered exchangeable into another currency and how an entity determines the exchange rate for currencies that lack exchangeability. The amendments also introduce new disclosure requirements to help users of financial statements assess the impact when a currency is not exchangeable. An entity does not apply the amendments retrospectively. Instead, an entity recognizes any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings when the entity reports foreign currency transactions. When an entity uses a presentation currency other than its functional currency, it recognizes the cumulative amount of translation differences in equity. Earlier application is permitted.

The adoption of the amendments to PFRS Accounting Standards did not materially affect the financial statements of the Company. Additional disclosures were included in the financial statements, as applicable.

**New and Amendments to PFRS Accounting Standards in Issue But Not Yet Effective or Adopted**

Relevant new and amendments to PFRS Accounting Standards, which are not yet effective as at December 31, 2025 and have not been applied in preparing the financial statements, are summarized below:

Effective for annual periods beginning on or after January 1, 2026:

- Amendments to PFRS 9, *Financial Instruments*, and PFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Assets* – The amendment provides to clarify the requirements related to the date of recognition and derecognition of financial assets and financial liabilities, with an exception for derecognition of financial liabilities settled through cash using an electronic payment system. The amendments also clarify the requirements of assessing contractual cash flow characteristics of financial assets, with additional guidance on assessment of contingent features, and the characteristics of non-recourse loans and contractually linked instruments. The amendments also introduce additional disclosure requirements for equity instruments classified as financial asset measured at fair value through other comprehensive income (FVOCI) with contingent features. Earlier application is permitted.
- Annual Improvements to PFRS Accounting Standards Volume 11 -
  - Amendments to PFRS 7, *Financial Instruments: Disclosures* – The amendments remove some obsolete references related to the gain or loss on derecognition on financial assets of an entity that has a continuing involvement and to the disclosure requirements on deferred differences between fair value and transaction price. The amendments also clarify that the illustrative guidance does not necessarily illustrate all the requirements for credit risk disclosure.

Effective for annual periods beginning on or after January 1, 2027 -

- PFRS 18, *Presentation and Disclosure in Financial Statements* – This standard replaces PAS 1, *Presentation of Financial Statements*, and sets out requirements for the presentation and disclosure of information in general purpose financial statements. The standard introduces new categories and sub-totals in the statements of comprehensive income, additional disclosures on management-defined performance measures, and enhanced requirements for grouping information. Full retrospective application is required. Earlier application is permitted.

Under prevailing circumstances, the adoption of the foregoing new and amendments to PFRS Accounting Standards is not expected to have any material effect on the financial statements of the Company. Additional disclosures will be included in the financial statements, as applicable.

**Financial Assets and Liabilities**

*Date of Recognition.* The Company recognizes a financial asset or a financial liability in the statements of financial position when it becomes a party to the contractual provisions of a financial instrument. In the case of a regular way of purchase or sale of financial assets, recognition and derecognition, as applicable, is done using settlement date accounting.

*Initial Recognition.* Financial instruments are recognized initially at fair value, which is the fair value of the consideration given (in case of an asset) or received (in case of a liability). The initial measurement of financial instruments, except for those designated at fair value through profit or loss (FVPL), includes transaction cost.

*“Day 1” Difference.* Where the transaction in a non-active market is different from the fair value of other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Company recognizes the difference between the transaction price and fair value (a “Day 1” difference) in profit or loss. In cases where there is no observable data on inception, the Company deems the transaction price as the best estimate of fair value and recognizes “Day 1” difference in profit or loss when the inputs become observable or when the instrument is derecognized. For each transaction, the Company determines the appropriate method of recognizing the “Day 1” difference.

*Classification of Financial Instruments.* The Company classifies its financial assets at initial recognition under the following categories: (a) financial assets at FVPL, (b) financial assets at amortized cost, and (c) financial assets at FVOCI. The classification of a financial instrument largely depends on the Company’s business model and on the purpose for which the financial instruments are acquired or incurred and whether these are quoted in an active market.

Financial liabilities, on the other hand, are classified as either financial liabilities at FVPL or financial liabilities at amortized cost.

As at December 31, 2025 and 2024, the Company does not have financial assets at FVOCI and financial assets and liabilities at FVPL.

*Financial Assets at Amortized Cost.* A financial asset shall be measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method, less allowance for impairment, if any. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the financial assets are derecognized and through amortization process. Financial assets at amortized cost are included under current assets if realizability or collectability is within 12 months after the reporting period. Otherwise, these are classified as noncurrent assets.

This category includes cash and cash equivalents, trade and other receivables, refundable deposits and advances to employees (both presented under “Other noncurrent assets” account).

*Financial Liabilities at Amortized Cost.* Financial liabilities are categorized as financial liabilities at amortized cost when the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or another financial asset to the holder, or to settle the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

These financial liabilities are initially recognized at fair value less any directly attributable transaction costs. After initial recognition, these financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on the issue and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the liabilities are derecognized or impaired or through the amortization process.

This category includes trade and other payables (excluding statutory payables, membership dues collected in advance, members' prepayments and unclaimed gift certificate).

#### **Reclassification of Financial Assets**

The Company reclassifies its financial assets when, and only when, it changes its business model for managing those financial assets. The reclassification is applied prospectively from the first day of the first reporting period following the change in the business model (reclassification date).

For a financial asset reclassified out of the financial assets at amortized cost category to financial assets at FVPL, any gain or loss arising from the difference between the previous amortized cost of the financial asset and fair value is recognized in profit or loss.

For a financial asset reclassified out of the financial assets at amortized cost category to financial assets at FVOCI, any gain or loss arising from a difference between the previous amortized cost of the financial asset and fair value is recognized in other comprehensive income (OCI).

#### **Impairment of Financial Assets at Amortized Cost**

The Company recognizes an allowance for expected credit loss (ECL) on financial assets at amortized cost based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The difference is then discounted at an approximation to the asset's original effective interest rate.

For trade receivables, the Company has applied the simplified approach and has calculated ECL based on the lifetime ECL. Simplified approach requires that ECL should always be based on the lifetime ECL. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECL at each reporting date.

The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For other financial assets at amortized cost, the Company applies the general approach in measuring the ECL. The ECL is based on the 12-month ECL, which pertains to the portion of lifetime ECL that result from default events on a financial instrument that are possible within 12 months after the reporting date.

However, when there has been a significant increase in credit risk since initial recognition, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

A financial asset is written off when there is no reasonable expectation of recovering the financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

### **Derecognition of Financial Assets and Liabilities**

*Financial Assets.* A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the right to receive cash flows from the asset has expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a “pass-through” arrangement; or
- the Company has transferred its right to receive cash flows from the asset and either: (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company’s continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

*Financial Liabilities.* A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in profit or loss.

### **Offsetting Financial Assets and Liabilities**

Financial assets and liabilities are offset and the net amount is reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statements of financial position.

### **Classification of Financial Instrument between Liability and Equity**

A financial instrument is classified as liability if it provides for a contractual obligation to:

- Deliver cash or another financial asset to another entity;
- Exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company; or

- Satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

If the Company does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability. Otherwise, the financial instrument is classified as equity.

### **Inventories**

Inventories are valued at the lower of cost and net realizable value (NRV). Cost is determined using the weighted average method. All costs directly attributable to acquisition such as the purchase price, transport cost and taxes that are not subsequently recoverable from taxing authorities are included as part of the cost of inventories.

The NRV of inventories is the estimated selling price in the ordinary course of business, less estimated costs of marketing and distribution. In determining the NRV, the Company considers any adjustment necessary for obsolescence.

When the NRV of inventories is lower than its cost, the inventories are written down to its NRV and the excess of the cost over the NRV is charged to profit or loss.

### **Creditable Withholding Taxes (CWT)**

CWT represents the amount withheld by the Company's customers in relation to its income. CWT can be utilized as payment for income taxes, provided that these are properly supported by certificates of creditable tax withheld at source subject to the rules on Philippine income taxation.

### **Other Current Assets**

This account consists of input value-added tax (VAT), prepayments and deferred input VAT.

*Input VAT.* Revenues, expenses and assets are generally recognized net of the amount of VAT, except:

- where the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables that are stated with the amount of tax included.

The net amount of VAT recoverable from the taxation authority is presented as "Input VAT" under "Other current assets" account in the statements of financial position.

*Prepayments.* Prepayments are expenses not yet incurred but paid in advance. Prepayments are apportioned over the period covered by the payment and charged to the appropriate account in profit or loss when incurred. Prepayments that are expected to be realized for no more than 12 months after the reporting period are classified as current assets. Otherwise, these are classified as noncurrent assets.

*Deferred Input VAT.* Deferred input VAT represents VAT on the unamortized amount of input VAT on capital goods.

In accordance with the Revenue Regulations (RR) No. 16-2005, as amended by RR. No. 13-2018, input VAT on purchases or imports of the Company of capital goods (depreciable assets for income tax purposes) made prior to January 1, 2022, with an aggregate acquisition cost (exclusive of VAT) in each of the calendar months exceeding ₱1.0 million are claimed as credit against output VAT over 60 months or the estimated useful lives of capital goods, whichever is shorter.

Deferred input VAT that is expected to be realized within 12 months after the financial reporting period is classified as current asset.

### **Property and Equipment**

Property and equipment, excluding land and construction and progress, is stated at cost less accumulated depreciation and impairment in value, if any. Land is stated at cost, including transaction costs less any impairment in value.

The initial cost of property and equipment consists of its purchase price, import duties, nonrefundable taxes and any directly attributable costs in bringing the asset to its working condition and location for its intended use. Such cost includes the cost of replacing part of such property and equipment when that cost is incurred if the recognition criteria are met.

Expenditures incurred after the property and equipment have been put into operations, such as repairs and maintenance, are normally charged to profit or loss in the period when the costs are incurred.

In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional cost of property and equipment.

Depreciation is computed on the straight-line basis over the estimated useful lives of the assets. The depreciation periods for property and equipment are as follows:

<u>Asset Type</u>	<u>Number of Years</u>
Building and improvements	20
Facilities and equipment	2 to 10
Furniture, fixtures and equipment	2 to 5
Transportation equipment	2 to 5

The estimated useful lives and depreciation and amortization method are reviewed periodically to ensure that the periods and method of depreciation and amortization are consistent with the expected pattern of economic benefits from items of property and equipment.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognized.

Construction in progress, which includes cost of construction and other direct costs, is stated at cost and is not depreciated until such time as the relevant assets are completed and put into operational use. Construction in progress is reclassified to a specific category of property and equipment when the construction and other related activities necessary to prepare the assets for their intended use are completed and the assets are available for use.

Fully depreciated items are retained as property and equipment until these are no longer in use.

#### **Investment Property**

Investment property consists of land held for capital appreciation. Investment property is measured initially at cost, including transaction costs, which exclude the costs of day-to-day servicing of the property. Subsequent to the initial recognition, investment property is carried at cost less any impairment in value.

Investment property is derecognized when it has been disposed of or when permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of the investment property is recognized in the statements of comprehensive income in the year of retirement or disposal.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by the end of owner-occupation or commencement of an operating lease to another party. Transfers are made from investment property when, and only when, there is a change in use, evidenced by the commencement of owner-occupation or commencement of development with a view to sell.

#### **Other Noncurrent Assets**

This account mainly consists of computer software and advances to contractors and suppliers.

*Computer Software.* Costs associated with developing or maintaining computer software are recognized as expense when incurred. Costs that are directly associated with identifiable and unique software controlled by the Company and will generate economic benefits exceeding cost beyond one year are recognized as intangible assets.

Expenditure which enhances or extends the performance of the computer software beyond their original specifications is recognized as capital improvements and added to the original cost of the computer software. Computer software is recognized as assets and amortized using the straight-line method over their estimated useful life of five years. The estimated useful life and amortization method are reviewed periodically to ensure that the period and method of amortization are consistent with the expected pattern of economic benefits from computer software.

*Advances to Contractors and Suppliers.* Advances to contractors and suppliers pertain to amounts paid in advance for goods or services to be utilized or incurred in connection with the Company's operations. These are recognized as asset in the statements of financial position upon actual receipt of goods or services.

### **Impairment of Nonfinancial Assets**

The Company assesses at each reporting date whether there is an indication that the nonfinancial assets may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. Recoverable amount is the higher of an asset's fair value less costs of disposal or its value in use, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company makes an estimate of recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss.

### **Proprietary Membership Certificates and Additional Paid-in Capital (APIC)**

Proprietary membership certificates are measured at stated value for all proprietary membership certificates issued. Proceeds and/or fair value of considerations received in excess of par value, if any, are recognized as APIC. Incremental costs directly attributable to the issuance of new proprietary membership certificates are shown in equity as a deduction, net of tax, from the APIC, if any.

### **Deficit**

Deficit represents the cumulative balance of the Company's results of operations.

### **Cumulative Remeasurement Gain on Net Retirement Asset - Net of Deferred Tax**

OCI comprises of income and expense that are not recognized in profit or loss for the year. This includes cumulative remeasurement loss on net retirement asset, net of deferred tax.

### **Basic and Diluted Income per Proprietary Membership Certificates**

The Company computes its basic income per proprietary membership certificate by dividing net income for the period attributable to ordinary equity holders of the Company by the weighted average number of proprietary membership certificate outstanding during the period.

Diluted income per proprietary membership certificate is computed in the same manner, adjusted for the dilutive effect of any potential proprietary membership certificate. For the years ended December 31, 2025, 2024 and 2023, the Company has no potential dilutive proprietary membership certificate.

### **Members' Support**

Members' support pertains to membership dues which are recognized in the statements of comprehensive income over time based on the applicable period. Members' advance payments are recognized as part of "Membership dues collected in advance" under "Trade and other payables" account in the statements of financial position.

**Revenue Recognition**

Revenue from contracts with customers is recognized when the performance obligation in the contract has been satisfied, either at a point in time or over time. Revenue is recognized over time if one of the following criteria is met: (a) the customer simultaneously receives and consumes the benefits as the Company performs its obligations; (b) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or (c) the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date. Otherwise, revenue is recognized at a point in time.

The Company also assesses its revenue arrangements to determine if it is acting as a principal or as an agent. The Company has assessed that it acts as a principal in all of its revenue sources, except for commission income that the Company acts as an agent.

Disaggregation of revenue based on major sources is presented in the statements of comprehensive income.

The following specific recognition criteria must also be met before revenue is recognized:

*Food, Beverage and Sundries.* Revenue from the sale of food, beverage and sundries is recognized at a point in time when the related orders are served.

*Green Fees, Golf Cart and Locker Rental and Room Sales.* Revenue from green fees, golf cart and locker rental and room sales are recognized upon satisfaction of the performance obligation of transferring the promised services to the members and/or guests.

*Membership Transfer and Assignment Fees.* Revenue is recognized at a point in time upon transfer and assignment of member shares.

*Other Income.* This includes income from cell sites rental and commissions among others. Revenue is recognized at a point in time when earned or when services have been rendered.

Revenue outside the scope of PFRS 15 is recognized as follow -

*Interest Income.* Interest is recognized as it accrues taking into account the effective yield on the asset, net of final tax.

**Cost and Expense Recognition**

Costs and expenses are recognized in profit or loss upon receipt of goods, utilization of services or at the date the cost and expenses are incurred.

*Cost of Sales.* Cost of sales is recognized as expense when the related goods are sold.

*Cost of Services.* Cost of services is recognized as expense when the related services are rendered.

*General and Administrative Expenses.* These constitute costs of administering the business and costs incurred to sell and market goods and services. These are expensed as incurred.

### **Employee Benefits**

*Short-term Benefits.* The Company recognizes a liability net of amounts already paid and an expense for services rendered by employees during the year. Short-term employee benefits given by the Company to its employees include salaries and wages, social security contributions, short-term compensated absences and bonuses and non-monetary benefits.

Short-term employee benefit liabilities are measured on an undiscounted basis and are expensed as the related service is provided.

*Retirement Benefits.* The Company is a participant to the Tagaytay Highlands Multiemployer Retirement Plan which is a non-contributory defined benefit plan. The net retirement asset is the aggregate of the fair value of plan assets (FVPA) reduced by the present value of the defined benefit obligation (DBO) at the end of the reporting period.

Retirement benefit costs are actuarially determined using the projected unit credit method which reflect services rendered by employees to the date of valuation and incorporates assumptions concerning employees' projected salaries.

Defined benefit costs comprise the following:

- Service cost;
- Net interest on the net retirement liability or plan asset; and
- Remeasurements of net retirement liability or plan asset.

Current service costs are recognized as expense in profit or loss. Current service costs are the increase in the present value of the DBO in the current period. The amounts are calculated periodically by independent qualified actuaries.

Net interest on the net retirement asset is the change during the period in the net retirement asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net retirement asset. Net interest on the net retirement asset is recognized as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses and return on plan assets are recognized immediately in OCI in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

Plan assets are assets that are held in trust and managed by a trustee bank. Plan assets are not available to the creditors of the Company, nor can they be paid directly to the Company. FVPA is based on market price information. When no market price is available, the FVPA is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the FVPA is higher than the present value of the DBO, the measurement of the resulting retirement plan asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Company's right to be reimbursed of some or all of the expenditure required to settle a DBO is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

### **Leases**

The Company assesses whether the contract is, or contains, a lease. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Company assesses whether, throughout the period of use, it has both of the following:

- i. the right to obtain substantially all of the economic benefits from the use of the identified asset; and
- ii. the right to direct the use of the identified asset.

If the Company has the right to control the use of an identified asset for only a portion of the term of the contract, the contract contains a lease for that portion of the term.

*The Company as a Lessee.* Leases are recognized as right-of-use assets, with corresponding lease liabilities, at the date at which the leased assets are available for use by the Company, except for leases with lease terms of 12 months or less (short-term leases) and leases for which the underlying asset is of low value, in which case, the lease payments associated with those leases are recognized as an expense on a straight-line basis.

*The Company as a Lessor.* Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Rental income under operating leases is recognized on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same bases as rent income. Contingent rents are recognized as revenue in the period in which these are earned.

### **Income Taxes**

*Current Tax.* Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and the tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period.

*Deferred Tax.* Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases. Deferred tax liabilities are recognized for all temporary differences that are expected to increase taxable profit in the future.

Deferred tax assets are recognized for all temporary differences and carryforward benefits of unused tax credits from the net operating loss carryover (NOLCO) that are expected to reduce taxable profit in the future. Deferred tax assets are measured at the highest amount that, on the basis of current or estimated future taxable profit, is more likely than not to be recovered.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at reporting date.

Current tax and deferred tax are recognized in profit or loss except to the items recognized directly in equity or in OCI. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### **Related Parties and Transactions**

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related party relationships exist when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting enterprise, or between and/or among the reporting enterprise and its key management personnel, directors, or its stockholders.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on legal form.

#### **Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### **Contingencies**

Contingent liabilities are not recognized in the financial statements. These are disclosed in the notes to financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but are disclosed when an inflow of economic benefits is probable.

#### **Events after the Reporting Date**

Events after the reporting date that provide additional information about the Company's financial position at reporting date (adjusting events) are reflected in the financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes to financial statements when material.

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### **3. Significant Judgment, Accounting Estimates and Assumptions**

The preparation of the financial statements in accordance with PFRS Accounting Standards requires management to exercise judgment, make accounting estimates and use assumptions that affect amounts of assets, liabilities, income and expenses reported in the financial statements and related notes. The judgment, accounting estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as at reporting date.

While management believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the estimated amounts. Actual results could differ from such estimates.

### **Judgment**

In the process of applying the Company's accounting policies, management has made the following judgment, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements.

*Determining the Classification of Financial Instruments.* The Company exercises judgment in classifying a financial instrument on initial recognition either as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, governs its classification in the statements of financial position.

The classification of financial assets depends on the results of the business model test and "solely payment of principal and interest" test performed by the Company. The Company exercises judgment in determining the business model to be used in managing its financial instruments to achieve their business objectives.

The Company determines that the primary business model used in the management of its financial assets is to hold the financial asset to collect contractual cash flows representing solely payments of principal and interest. Consequently, all financial assets are measured at amortized cost.

*Distinguishing between Investment Properties and Owner-Occupied Properties.* The Company determines whether a property qualifies as investment property. In making its judgment, the Company considers whether the property generates cash flows largely independent of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to the property but also to the other assets used in the production or supply process.

Some properties comprise a portion that is held to earn rentals or capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions cannot be sold separately, the property is accounted for as an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The Company considers each property separately in making its judgment.

*Classifying Lease Commitments - The Company as a Lessee.* The Company elected to apply the recognition exemption on leases of low-value assets and short-term leases. The related rent expense on these lease agreements are recognized in profit or loss.

Rent expense related to leases wherein the recognition exemptions were elected in 2025, 2024 and 2023 are disclosed in Note 18 to the financial statements.

### **Accounting Estimates and Assumptions**

The key estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of the Company's financial statements. Actual results could differ from such estimates.

*Assessing the ECL on Financial Assets at Amortized Cost.* For trade receivables from members, the Company uses specific identification approach in determining balance of receivables from each member to be potentially uncollectible, when it meets the following criteria: (a) the member is more than 120 days past due on its contractual payments, i.e. principal; and (b) the current market value of the shares of each member is below its outstanding receivables. The Company imposes a 2% penalty on members with 61 days and over past due on its contractual payments. The current market value of the shares is considered as collateral in case of non-payment of members, as the Company has the current right to rescind the shares and sell it in an auction. The Company determines the loss given default (recoverable amount of outstanding receivables) in computing the provision for ECL.

For trade receivables from related parties, the Company uses judgment, based on the best available facts and circumstances, including but not limited to, assessment of the related parties' operating activities (active or dormant), business viability and overall capacity to pay, in providing for ECL. The provision for ECL are re-evaluated and adjusted as additional information is received.

The Company estimates ECL on trade receivables from credit card transactions using a provision matrix based on days past due. The matrix is derived from the Company's historical credit loss experience on credit card receivables and is adjusted for forward-looking information, including relevant macroeconomic factors that may affect the ability of the counterparty to settle the receivables.

For other financial assets at amortized cost, the Company applies the general approach in measuring ECL. The Company assessed that cash in banks and cash equivalents are with reputable counterparty banks that possess good credit ratings. For nontrade receivables, advances to employees and refundable deposits, the Company considers the financial capacity of the counterparty to pay the obligations to the Company as they fall due.

No provision for ECL in 2025, 2024 and 2023. Allowance for ECL as at December 31, 2025 and 2024 are disclosed in Note 5 to the financial statements.

The carrying amounts of financial assets at amortized cost as at December 31, 2025 and 2024 are disclosed in Notes 4, 5 and 9 to the financial statements.

*Estimating the Useful Lives of Depreciable Property and Equipment.* The Company estimates the useful lives of the depreciable property and equipment based on the period over which these assets are expected to be available for use. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of these assets. In addition, estimation of the useful life is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances.

There were no changes in the estimated useful lives of depreciable property and equipment in 2025, 2024 and 2023. The carrying amount of depreciable property and equipment as at December 31, 2025 and 2024 are disclosed in Note 7 to the financial statements.

*Assessing Impairment of Nonfinancial Assets.* The Company assesses impairment on nonfinancial assets whenever events or changes in circumstances indicate that the carrying amounts of these assets may not be recoverable. The factors that the Company considers important which could trigger an impairment review include the following:

- Significant underperformance relative to expected historical or projected future operating results;
- Significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- Significant negative industry or economic trends.

An impairment loss is recognized whenever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is the higher of the asset's value in use or estimated selling price less cost to sell. In determining value in use, the present value of estimated future cash flows expected to be generated from the continued use of the assets is determined using estimates and assumptions that can materially affect the financial statements.

The Company assessed that there were no impairment indicators, hence, no impairment loss was recognized in 2025, 2024 and 2023. The carrying amounts of nonfinancial assets as at December 31, 2025 and 2024 are disclosed in Notes 6, 7, 8 and 9 to the financial statements.

*Estimating the Retirement Benefits.* The determination of the Company's obligation and cost for retirement benefits is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions are described in Note 17 to the financial statements.

Retirement expense in 2025, 2024 and 2023 and the carrying amount of net retirement asset as at December 31, 2025 and 2024 are disclosed in Note 17 to the financial statements.

*Assessing the Realizability of Deferred Tax Assets.* The Company reviews its deferred tax assets at each reporting date and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

The Company's unrecognized deferred tax assets as at December 31, 2025 and 2024 are disclosed in Note 19 to the financial statements. Management has assessed that it is not probable that sufficient taxable income will be available to allow all of the deferred tax assets to be utilized.

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#### 4. Cash and Cash Equivalents

This account consists of:

	2025	2024
Cash on hand	<b>₱2,408,644</b>	₱2,331,936
Cash in banks	<b>35,602,308</b>	36,010,654
Cash equivalents	<b>46,949,211</b>	40,202,128
	<b>₱84,960,163</b>	₱78,544,718

Cash in banks earn interest at the prevailing bank deposit rates.

Cash equivalents pertain to short-term placements which are made for varying periods of up to three months depending on the immediate cash requirements of the Company, and earn interest based on prevailing market interest rates.

Interest income earned amounted to ₱1.9 million, ₱2.1 million and ₱2.0 million in 2025, 2024 and 2023, respectively. Interest receivable, included in “Nontrade” under “Trade and other receivables” account, amounted to ₱0.2 million and ₱0.1 million in 2025 and 2024, respectively (see Note 5).

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**5. Trade and Other Receivables**

	<b>2025</b>	2024
Trade:		
Members	<b>₱17,941,737</b>	₱15,081,046
Credit card	<b>1,705,399</b>	1,985,827
Nontrade	<b>7,035,866</b>	5,921,194
	<b>26,683,002</b>	22,988,067
Less allowance for ECL	<b>353,969</b>	353,969
	<b>₱26,329,033</b>	₱22,634,098

Trade receivables from members pertain to billings by the Company for the services rendered and the outstanding membership dues. Members’ accounts are normally collected within the term of 30 to 60 days. Unsettled members’ accounts for more than 60 days are considered past due. The Company has the option to put members’ proprietary shares into auction in case of nonpayment of members’ accounts when it is more than 120 days past due.

Trade receivables from credit cards pertain to receivable from local banks arising from members’ credit card payments for their dues. These are noninterest-bearing and are normally collected within two (2) to three (3) days.

Nontrade receivables mainly pertain to receivables from functions and concessionaires and interest receivable, which are noninterest-bearing and generally within the term of 30 to 90 days.

Allowance for ECL pertains to nontrade receivables. No provision for impairment of trade receivables was recognized in 2025, 2024 and 2023.

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**6. Other Current Assets**

This account consists of:

	<b>2025</b>	2024
Input VAT	<b>₱3,441,996</b>	₱21,153,130
Prepayments	<b>1,244,666</b>	1,565,528
Current portion of deferred input VAT	<b>157,686</b>	277,658
	<b>₱4,844,348</b>	₱22,996,316

Prepayments mainly pertain to real property taxes paid in advance and unamortized portion of insurance for the Company’s properties, health insurance of directors and officers and other prepaid expenses. These are expected to be utilized and consumed within one year.

## 7. Property and Equipment

Balances and movements in this account are as follows:

	2025						Total
	Land	Buildings and Improvements	Facilities and Equipment	Furniture, Fixtures and Equipment	Transportation Equipment	Construction In Progress	
<b>Cost</b>							
Balances at beginning of year	₱229,680,840	₱761,323,231	₱407,478,321	₱78,185,071	₱33,388,838	₱7,742,127	₱1,517,798,428
Additions	-	3,241,636	10,170,949	618,872	-	11,987,594	26,019,051
Disposals	-	-	(1,288)	(98,145)	(1,427,455)	-	(1,526,888)
Retirements	-	-	(1,137,157)	(536)	-	-	(1,137,693)
Reclassifications	-	7,732,483	2,459,464	272,652	-	(10,464,599)	-
<b>Balances at end of year</b>	<b>229,680,840</b>	<b>772,297,350</b>	<b>418,970,289</b>	<b>78,977,914</b>	<b>31,961,383</b>	<b>9,265,122</b>	<b>1,541,152,898</b>
<b>Accumulated Depreciation</b>							
Balances at beginning of year	-	707,465,239	374,839,170	70,850,362	31,812,530	-	1,184,967,301
Depreciation	-	16,243,341	12,407,461	3,708,817	546,135	-	32,905,754
Disposals	-	-	(1,288)	(98,145)	(1,425,775)	-	(1,525,208)
Retirements	-	-	(1,137,157)	(536)	-	-	(1,137,693)
<b>Balances at end of year</b>	<b>-</b>	<b>723,708,580</b>	<b>386,108,186</b>	<b>74,460,498</b>	<b>30,932,890</b>	<b>-</b>	<b>1,215,210,154</b>
<b>Carrying Amount</b>	<b>₱229,680,840</b>	<b>₱48,588,770</b>	<b>₱32,862,103</b>	<b>₱4,517,416</b>	<b>₱1,028,493</b>	<b>₱9,265,122</b>	<b>₱325,942,744</b>

	2024						Total
	Land	Buildings and Improvements	Facilities and Equipment	Furniture, Fixtures and Equipment	Transportation Equipment	Construction In Progress	
<b>Cost</b>							
Balances at beginning of year	₱229,680,840	₱754,201,352	₱388,308,212	₱77,493,941	₱32,566,937	₱1,070,330	₱1,483,321,612
Additions	-	7,156,853	21,247,649	2,962,638	821,901	6,992,481	39,181,522
Disposals	-	(77,679)	(1,541,407)	-	-	-	(1,619,086)
Retirements	-	(1,090)	(813,022)	(2,271,508)	-	-	(3,085,620)
Reclassifications	-	43,795	276,889	-	-	(320,684)	-
<b>Balances at end of year</b>	<b>229,680,840</b>	<b>761,323,231</b>	<b>407,478,321</b>	<b>78,185,071</b>	<b>33,388,838</b>	<b>7,742,127</b>	<b>1,517,798,428</b>
<b>Accumulated Depreciation</b>							
Balances at beginning of year	-	685,617,685	365,257,041	68,823,124	31,341,701	-	1,151,039,551
Depreciation	-	21,926,323	11,936,558	4,285,136	470,829	-	38,618,846
Disposals	-	(77,679)	(1,541,407)	-	-	-	(1,619,086)
Retirements	-	(1,090)	(813,022)	(2,257,898)	-	-	(3,072,010)
<b>Balances at end of year</b>	<b>-</b>	<b>707,465,239</b>	<b>374,839,170</b>	<b>70,850,362</b>	<b>31,812,530</b>	<b>-</b>	<b>1,184,967,301</b>
<b>Carrying Amount</b>	<b>₱229,680,840</b>	<b>₱53,857,992</b>	<b>₱32,639,151</b>	<b>₱7,334,709</b>	<b>₱1,576,308</b>	<b>₱7,742,127</b>	<b>₱332,831,127</b>

Depreciation and amortization recognized in profit and loss consist of:

	Note	2025	2024	2023
Property and equipment		₱32,905,754	₱38,618,846	₱38,521,152
Computer software	9	633,770	5,345,610	7,749,428
		<b>₱33,539,524</b>	<b>₱43,964,456</b>	<b>₱46,270,580</b>

Depreciation and amortization are allocated as follows:

	Note	2025	2024	2023
Cost of services	14	₱28,210,434	₱39,854,821	₱41,688,470
General and administrative expenses	15	5,329,090	4,109,635	4,582,110
		<b>₱33,539,524</b>	<b>₱43,964,456</b>	<b>₱46,270,580</b>

The cost of fully depreciated property and equipment that are still being used by the Company amounted to ₱1,106.6 million and ₱1,089.0 million as at December 31, 2025 and 2024, respectively.

The Company disposed fully depreciated property and equipment resulting to a gain of ₱0.3 million, ₱30,000 and nil in 2025, 2024 and 2023, respectively (see Note 16).

Moreover, the Company retired various items of property and equipment in 2024 resulting to a loss of ₱13,610 (see Note 16).

Construction in progress pertaining to construction of boom gates, tee house, storeroom, septic tank, billboard and other ongoing projects that are expected to be completed in 2026.

The Company does not have contractual commitments as at December 31, 2025 and 2024.

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## 8. Investment Property

This account pertains to land held for capital appreciation. The property is carried at cost amounting to ₱5.5 million as at December 31, 2025 and 2024.

The fair value amounted to ₱110.5 million was determined on July 17, 2023 by an independent appraiser who holds a recognized and relevant professional qualification. The fair value measurement for investment property has been categorized as Level 2.

Management has assessed that there were no conditions from the last date of appraisal that would significantly change the appraisal value of the investment property as at report date.

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## 9. Other Noncurrent Assets

This account consists of:

	2025	2024
Computer software	₱3,025,991	₱3,514,251
Refundable deposits	406,916	1,182,676
Advances to contractors and suppliers	332,717	431,837
Advances to employees	300,000	–
Deferred input VAT - net of current portion	–	157,686
	<b>₱4,065,624</b>	<b>₱5,286,450</b>

Computer software pertains to the cost of the Company's accounting and information system. Movements in the computer software are as follows:

	Note	2025	2024
<b>Cost</b>			
Balance at beginning of year		₱29,018,416	₱29,018,416
Additions		145,510	–
Balance at end of year		<b>29,163,926</b>	29,018,416
<b>Accumulated Amortization</b>			
Balance at beginning of year		25,504,165	20,158,555
Amortization	7	633,770	5,345,610
Balance at end of year		<b>26,137,935</b>	25,504,165
<b>Carrying Amount</b>		<b>₱3,025,991</b>	<b>₱3,514,251</b>

Refundable deposits pertain to deposit for accommodations and utilities services which are refundable upon termination.

Advances to contractors and suppliers represent payment for the construction of property and equipment which will be recouped upon every progress billing payment depending on the percentage of accomplishment.

Advances to employees are noninterest-bearing and are expected to be collected more than 12 months from avallment date.

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## 10. Trade and Other Payables

This account consists of:

	Note	2025	2024
Trade:			
Related parties	11	<b>₱26,447,699</b>	₱34,263,430
Third parties		<b>19,137,107</b>	13,780,339
Membership dues collected in advance		<b>26,324,481</b>	19,161,368
Statutory payables		<b>23,282,327</b>	59,079,045
Accrued expenses		<b>17,141,679</b>	19,976,222
Concessionaires	18	<b>8,224,116</b>	7,739,208
Refundable deposits		<b>5,383,028</b>	3,356,675
Auctioned membership liability		<b>3,416,792</b>	5,148,591
Room sharing payable		<b>3,069,359</b>	2,768,184
Members' prepayments		<b>2,319,125</b>	2,779,382
Retention payable		<b>1,620,589</b>	2,092,455
Other dues collected in advance		<b>465,700</b>	340,300
Service charge payable		<b>119,465</b>	233,708
Unclaimed gift certificates		–	7,500
Others		<b>2,781,574</b>	1,341,270
		<b>₱139,733,041</b>	₱172,067,677

Trade payable to related parties arises from the use of facilities of the related parties by the Company's members. This also consists of reimbursement of operating expenses to related parties. These payables are due and demandable.

Trade payables to third parties are noninterest-bearing and are normally settled within the term of 30 to 60 days.

Membership dues collected in advance pertain to membership dues that are already collected but are not yet earned as at reporting date. This is expected to be recognized as revenue within the next financial year.

Statutory payables pertain to obligations to government agencies that are normally settled in the following month and deferred output VAT.

Accrued expenses pertain to accruals for rent, utilities, and other contracted services which are generally settled within the following month.

Concessionaires pertain to food and beverage sales collected by the Company for a third party which are remitted every month.

Refundable deposits pertain to cash receipts from members upon assignment of shares which is expected to be refunded within one year. The amount paid is refundable upon completion of terms and conditions.

Auctioned membership liability refers to the unclaimed net proceeds or the excess of the bid price over the amount of receivables from delinquent members whose shares were sold at auction. These are normally claimed within 30 to 180 days.

Room sharing payable pertains to the collections from rental of members' units. This is noninterest-bearing and payable to the members within one year.

Members' prepayments pertain to members' overpaid accounts.

Retention payable pertains to amount withheld from contractors of the Company until the completion of specified conditions based on the agreement.

Other dues collected in advance pertain to Christmas assessment which consists of amounts collected from members during the year. These are intended to be distributed to employees at year end.

Others include payables to nontrade suppliers. These payables are noninterest-bearing and are normally settled within a year.

The liabilities reversed by the Company in 2025, 2024 and 2023 are disclosed in Note 16 to the financial statements.

## 11. Related Party Transactions

The Company has the following transactions and balances with its related parties:

Related Parties	Transactions	Amount of Transactions			Outstanding Balances	
		2025	2024	2023	2025	2024
<b>Stockholder</b>						
	Utilities, repairs and maintenance, and others	<b>₱18,545,889</b>	₱23,552,812	₱20,395,419	<b>₱2,005,495</b>	₱2,356,935
<b>Related Parties with Common Stockholder</b>						
	Food, beverage and sundries, green fees, golf cart and locker rental, room sales, management fees and reimbursement of expenses	<b>₱193,760,252</b>	₱228,341,114	₱199,331,869	₱-	₱-
	Club services and reimbursement of expenses	<b>₱184,037,764</b>	₱194,264,554	₱180,214,551	<b>₱24,442,204</b>	₱31,906,495
<b>Plan Assets</b>						
	Contributions	₱-	₱2,679,537	₱4,593,492	<b>₱36,474,184</b>	₱34,722,448

**Terms and Conditions of Transactions with Related Parties**

The outstanding balances as at year-end are unsecured, noninterest-bearing, due and demandable and settlement occurs through cash and offsetting of receivables and payables with the same related party. The Company has not made any provision for ECL relating to the amounts owed by the related parties. This assessment is undertaken each financial year by examining the financial position of the related parties and the market in which the related parties operate.

**Transactions with a Stockholder**

Transactions with Belle consist of reimbursement of utilities, repairs and maintenance works and others.

**Transactions with Other Tagaytay Highlands Clubs**

*Reciprocity Agreements.* On October 6 and 8, 1999, the Company entered into a Reciprocity Agreement with other Tagaytay Highlands Clubs that are substantially owned by Belle, whereby members of the Company and other Tagaytay Highlands Clubs will be allowed to enjoy the use of each other's facilities, subject to rules and regulations. This agreement shall remain in effect until mutually terminated by the parties. Receivables include rendering of sales and services to members of other Tagaytay Highlands Clubs while payables include collections on behalf of other Tagaytay Highlands Clubs.

*Management Fee.* The Company has an agreement with another Tagaytay Highlands Club to organize, manage and operate the latter effective September 1, 2008. The contract shall be effective for a period of one year subject to renewal upon agreement by both parties.

*Others.* The Company also has transactions for reimbursement of operating expenses such as contract services, repairs and maintenance, utilities and labor cost. Moreover, this also includes payments of food and beverage costs, room and spa, massage charges and shuttle services of the Company's employees.

**Transactions with Retirement Benefit Plan**

The Company has a retirement benefit plan in the form of a bank-trustee managed account with BDO Unibank, Inc. - Trust and Investments Group. The Company's transactions with the retirement fund mainly pertain to contributions during the year.

**Compensation of Key Management Personnel**

Compensation of key management personnel consists of:

	2025	2024	2023
Short-term employee benefits	<b>₱8,770,632</b>	₱8,288,085	₱7,741,897
Post-employment benefits	<b>1,111,873</b>	972,446	856,018
	<b>₱9,882,505</b>	₱9,260,531	₱8,597,915

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## 12. Equity

### **Track Record of Registration of Securities**

The following summarizes the information on the Company's registration of securities under the Securities Regulation Code:

Date of SEC Approval	Authorized Shares	Number of Shares Issued	Issue/Offer Price
August 26, 1991	3,000	2,957	₱200,000 to ₱450,000

The proprietary membership certificates amounted to ₱910.7 million as at December 31, 2025 and 2024. The Company's APIC, which is the excess of proceeds and/or fair value received, amounted to ₱35.0 million as at December 31, 2025 and 2024.

The ownership of all shares of stock of the Company is subject to the following restrictive conditions:

- a. No issuance or transfer of shares of stock of the Company which would reduce the stock ownership of Philippine citizens or nationals to less than the minimum percentage of the outstanding capital stock required by any applicable provisions of the Constitution, law, or regulation to be owned by Philippine citizens or nationals, shall be made or effected by, or shall be recorded in the books of the Company.
- b. No holder, of any class of shares of the Company shall have, as such holder, any preemptive right to acquire, purchase, or subscribe for any share of the capital stock of any class of the Company which it may issue or sell, whether out of the number of shares authorized by the Articles of Incorporation as originally filed, or by any amendment thereof, or out of shares of the capital stock of any class of the Company acquired by it after the issue thereof; nor shall any holder of any class of shares of the Company have, as such shareholder, have any preemptive right to acquire, purchase, or subscribe for any obligation which the Company may issue or sell that shall be convertible into or exchangeable for any shares of the capital stock of any class of the Company or to which shall be attached or appertain any warrant or any instrument that shall confer upon the owner of such obligation, warrant, or instrument the right to subscribe for, or to acquire or purchase from the Company, any share of its capital stock of any class.
- c. 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 assets of the Company at the time of the dissolution or liquidation of the Company.
- d. The owners of shares of the Company shall be subject to the payment of monthly dues in an amount as may be prescribed in the By-Laws or by the BOD, which shall in no case be less than ₱500, to meet the expenses for the general operations of the Company, and the maintenance and improvement of its premises and facilities, in addition to such fees as may be charged for the actual use of the facilities. Such dues together with all other obligations of the shareholders to the Company, shall constitute a first lien on the shares, second only to any lien in favor of the national or local government, and in the event of delinquency such shares may be ordered sold by the BOD in the manner provided in the By-Laws to satisfy said dues or other obligations of the shareholders.

- e. Any shareholder selling or disposing of his/its share(s) in the Company shall pay a transfer fee in such amount as may be determined by the BOD from time to time. Said transfer fee shall be levied and collected at the time of transfer in the Company's Stock and Transfer Book. Any transfer of shares, except transfer by hereditary succession, made in violations of these conditions shall be null and void and shall not be recorded in the books of the Company.
- f. A holder of a share of stock of the Company is not an ipso facto member of the Company, and he must file an application for Company membership, which shall be subject to the approval of the BOD. If an application for membership of a shareholder is disapproved by the BOD, the shareholder shall dispose of his share within a period of sixty (60) days from notice of such disapproval. In the event of his failure to affect such transfer, his share shall be offered for sale at auction in the manner provided for under the By-Laws of the Company.
- g. In case any shareholder shall violate the provisions of the Articles of Incorporation or the By-Laws or the rules and regulations of the Company, or the resolutions duly promulgated by the BOD or the shareholders, or commit any other act or conduct which the BOD may deem injurious to the interest or hostile to the objects of the Company, such shareholder may be expelled by the BOD in the manner provided in the By-Laws upon proper notice and hearing, and he shall then cease to be a shareholder and shall have no right with respect to his share except the right to demand payment therefore in accordance with the By-Laws. The Company shall have a period of thirty (30) days from the expulsion of the shareholder to make payment of his share/s, and upon such payment the shareholder shall forthwith transfer and assign the share/s held by him as directed by the Company.
- h. All certificates of stock of the Company shall contain an appropriate reference to the foregoing limitations and restrictions, and stock may be issued or transferred in the books of the Company only in accordance with the terms and provisions of such limitations and restrictions.

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### 13. Basic and Diluted Income per Proprietary Membership Certificate

Basic and diluted income per proprietary membership certificate is computed as follows:

	<b>2025</b>	2024	2023
Net income (a)	<b>₱16,494,925</b>	₱19,958,532	₱12,454,481
Weighted average number of proprietary membership certificates (b)	<b>2,957</b>	2,957	2,957
Basic and diluted income per proprietary membership certificate (a/b)	<b>₱5,578</b>	₱6,750	₱4,212

In 2025, 2024 and 2023, the Company has no potential dilutive proprietary membership certificates outstanding. Therefore, basic income per proprietary membership certificate is the same as diluted income per proprietary membership certificate.

#### 14. Cost of Sales and Services

##### Cost of Sales

This account consists of:

	Note	2025	2024	2023
Food cost		<b>₱49,398,711</b>	₱51,206,093	₱57,136,700
Franchise fee	18	<b>8,213,335</b>	8,378,932	8,613,531
Beverage cost		<b>7,906,188</b>	8,705,095	6,686,908
Sundry inventory cost		<b>1,612,352</b>	4,211,564	6,339,827
		<b>₱67,130,586</b>	₱72,501,684	₱78,776,966

##### Cost of Services

This account consists of:

	Note	2025	2024	2023
Salaries and other benefits		<b>₱31,803,663</b>	₱25,987,205	₱21,490,188
Repairs and maintenance		<b>29,336,424</b>	27,426,160	24,765,869
Depreciation and amortization	7	<b>28,210,434</b>	39,854,821	41,688,470
Communication, light and water		<b>17,192,726</b>	19,075,553	13,712,790
Outside services	18	<b>9,124,577</b>	8,041,004	6,087,420
Taxes and licenses		<b>4,782,329</b>	4,069,451	3,637,636
Supplies		<b>2,933,735</b>	2,924,613	2,469,142
Fuel and oil		<b>2,444,440</b>	1,681,188	2,336,358
Club tournament		<b>2,081,286</b>	3,358,794	2,030,508
Commission expenses		<b>1,382,234</b>	1,464,412	1,497,731
Laundry		<b>1,365,301</b>	1,809,537	1,397,213
Retirement expense	17	<b>1,131,444</b>	1,000,457	904,252
Bank charges		<b>1,047,252</b>	983,694	1,116,153
Insurance		<b>649,722</b>	660,147	641,652
Rent	18	<b>645,020</b>	591,259	660,609
Representation		<b>220,153</b>	291,485	217,589
Dues and subscriptions		<b>134,840</b>	39,583	17,945
Waste disposal		<b>129,625</b>	199,134	240,655
Advertising and promotions		<b>6,898</b>	43,802	135,599
Others		<b>4,502,626</b>	7,296,297	6,396,375
		<b>₱139,124,729</b>	₱146,798,596	₱131,444,154

Others pertain to costs incurred from events and other activities held by the Company.

Details of salaries and other benefits are as follows:

	<b>2025</b>	2024	2023
Salaries and wages	<b>₱32,877,489</b>	₱27,689,343	₱24,375,566
Employee benefits and others	<b>13,128,087</b>	11,352,795	9,084,538
	<b>₱46,005,576</b>	₱39,042,138	₱33,460,104

Salaries and other benefits recognized in profit or loss are as follows:

	Note	<b>2025</b>	2024	2023
Cost of services		<b>₱31,803,663</b>	₱25,987,205	₱21,490,188
General and administrative expenses	15	<b>14,201,913</b>	13,054,933	11,969,916
		<b>₱46,005,576</b>	₱39,042,138	₱33,460,104

## 15. General and Administrative Expenses

This account consists of:

	Note	<b>2025</b>	2024	2023
Salaries and other benefits	14	<b>₱14,201,913</b>	₱13,054,933	₱11,969,916
Repairs and maintenance		<b>8,116,173</b>	5,351,501	1,979,198
Depreciation and amortization	7	<b>5,329,090</b>	4,109,635	4,582,110
Taxes and licenses		<b>4,762,408</b>	4,047,816	3,576,599
Outside services	18	<b>4,198,003</b>	4,857,404	6,161,907
Communication, light and water		<b>3,176,948</b>	3,317,878	1,063,824
Processing fees		<b>2,500,000</b>	3,000,000	3,000,000
Retirement expense	17	<b>1,131,444</b>	1,000,458	904,253
Bank charges		<b>1,043,561</b>	983,694	1,116,154
Supplies		<b>676,133</b>	590,624	605,531
Insurance		<b>575,994</b>	610,933	587,553
Dues and subscriptions		<b>561,187</b>	431,439	94,471
Representation		<b>535,289</b>	500,202	397,801
Rent	18	<b>268,863</b>	329,362	297,939
Advertising and promotions		<b>126,769</b>	141,528	105,499
Waste disposal		<b>96,625</b>	199,134	240,655
Transportation and travel		<b>42,514</b>	39,899	26,676
Others		<b>2,486,152</b>	2,197,392	1,609,665
		<b>₱49,829,066</b>	₱44,763,832	₱38,319,751

Others pertain to expenses related to club activities which are not individually material.

## 16. Other Income - net

This account consists of:

	Note	2025	2024	2023
Membership transfer fees		<b>₱6,660,714</b>	₱5,785,753	₱4,892,857
Guest card fees		<b>6,276,661</b>	6,387,188	6,722,258
Concessionaire charges		<b>4,951,882</b>	427,866	24,425
Assignment fees		<b>4,497,915</b>	3,353,013	2,779,583
Reversal of liabilities	10	<b>4,239,322</b>	4,278,845	1,348,141
Room amenities		<b>3,896,464</b>	2,286,640	1,552,951
Cell sites rental	18	<b>1,610,594</b>	1,610,594	1,610,594
Photoshoot fees		<b>1,494,118</b>	620,399	456,831
Commission income		<b>1,424,554</b>	1,516,624	1,611,410
Management fees		<b>947,914</b>	861,961	754,381
Members' penalties and charges		<b>443,650</b>	1,347,956	1,333,450
Income from shuttle services		<b>344,674</b>	746,057	132,607
Gain on disposal of property and equipment	7	<b>314,850</b>	30,000	–
Unrealized foreign exchange gain (loss)		<b>70,200</b>	222,883	(50,727)
Insurance claims		–	11,852,665	–
Income from sponsorship		–	3,186,286	1,806,893
Loss on retirement of property and equipment	7	–	(13,610)	–
Others		<b>1,913,564</b>	1,057,337	593,029
		<b>₱39,087,076</b>	₱45,558,457	₱25,568,683

Membership transfer fees include income derived from transfer of right by an individual member through selling of shares and transfer of right through change of designee by a corporate member.

Guest card fees primarily pertain to the registration fee of guests for the use of the Company's facilities. Adult dependents of members are likewise required to pay a consumable amount, the unused portion of which is recognized as income under guest card fee.

Concessionaire charges consist of utility costs billed to concessionaires, primarily relating to electricity and water consumption, based on actual usage within their leased or occupied areas. In 2025, the Company presented "Concessionaire charges" as a separate line item to comply with the quantitative threshold for material information disclosure. Consequently, the Company reclassified ₱0.4 million and ₱24,425 in 2024 and 2023, respectively, which were previously classified as part of "Others".

Assignment fees refer to income arising from assignment of members' right to any other party for the right to use the facilities of the Company.

Reversal of liabilities pertains to derecognition of long-outstanding unclaimed gift certificates, staled checks and other payables.

Room amenities refer to sundry income from rooms including unconsumed set breakfast and consumed mini bar items.

Photoshoot fees are charges for the use of the Club's property as a shoot location. These fees may include charges for access to specific areas, time-based usage and corkage fees for non-accredited suppliers.

Commission income pertains to income derived from the Company's members' use of the golf course owned by the other Tagaytay Highland Club.

Management fees pertain to income charged to concessionaires and to another Tagaytay Highlands Club for administrative purposes.

Members' penalties and charges pertain to collection from members for late payments of membership dues and other charges.

Insurance claims pertain to compensation received by the Company from its insurance policy in relation to the eruption of Taal Volcano.

Income from sponsorship pertains to income earned from promotional events hosted by the Company.

Others pertain to income derived from events held by the Company which include wedding ceremonies, seminars, golf tournaments, among others.

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## 17. Retirement Benefits

The Company is a participant to the Tagaytay Highlands Multiemployer Retirement Plan which is non-contributory defined benefit plan. The plan provides a retirement benefit equal to one hundred percent (100%) of plan salary for every year credited service or in accordance with the collective bargaining agreement. Benefits are paid in a lump sum upon retirement or separation in accordance with the terms of the plan.

The retirement benefit obligation is determined using the projected unit credit method. The latest available actuarial report of the Company is as at December 31, 2025.

The components of retirement expense are as follows:

	2025	2024	2023
Current service cost	<b>₱2,539,448</b>	₱2,261,956	₱2,064,691
Net interest income	<b>(301,935)</b>	(275,227)	(262,858)
Interest on the effect of asset ceiling	<b>25,375</b>	14,186	6,672
	<b>₱2,262,888</b>	₱2,000,915	₱1,808,505

The components of retirement expense recognized in profit or loss are as follows:

	Note	2025	2024	2023
Cost of services	14	<b>₱1,131,444</b>	₱1,000,457	₱904,252
General and administrative expenses	15	<b>1,131,444</b>	1,000,458	904,253
		<b>₱2,262,888</b>	₱2,000,915	₱1,808,505

The components of net retirement asset are as follows:

	2025	2024
FVPA	<b>₱36,474,184</b>	₱34,722,448
Present value of DBO	<b>(34,688,048)</b>	(29,788,871)
Effect of the asset ceiling	<b>(103,166)</b>	(414,630)
	<b>₱1,682,970</b>	₱4,518,947

The changes in FVPA are as follows:

	2025	2024
Balance at beginning of year	<b>₱34,722,448</b>	₱29,314,766
Interest income	<b>2,125,014</b>	1,839,272
Remeasurement gain (loss)	<b>(373,278)</b>	888,873
Contributions	–	2,679,537
Balance at end of year	<b>₱36,474,184</b>	₱34,722,448

The changes in present value of retirement liability are as follows:

	2025	2024
Balance at beginning of year	<b>₱29,788,871</b>	₱26,067,423
Current service cost	<b>2,539,448</b>	2,261,956
Interest expense	<b>1,823,079</b>	1,564,045
Remeasurement loss (gain) on DBO due to changes in:		
Experience adjustments	<b>482,935</b>	441,776
Demographic assumptions	<b>140,676</b>	–
Financial assumptions	<b>(8,425)</b>	(117,152)
Benefits paid from book reserve	<b>(92,681)</b>	(429,177)
Transfer to the plan	<b>14,145</b>	–
Balance at end of year	<b>₱34,688,048</b>	₱29,788,871

The changes in the effect of asset ceiling are as follows:

	2025	2024
Balance at beginning of year	<b>₱414,630</b>	₱236,431
Interest cost	<b>25,375</b>	14,186
Remeasurement loss (gain)	<b>(336,839)</b>	164,013
	<b>₱103,166</b>	₱414,630

The cumulative remeasurement gain recognized in OCI as at December 31 are as follows:

	2025		
	Cumulative Remeasurement Gain	Deferred Income Tax	Net
Balance at beginning of year	₱4,781,547	(₱1,195,387)	₱3,586,160
Remeasurement loss	(651,625)	162,906	(488,719)
Balance at end of year	₱4,129,922	(₱1,032,481)	₱3,097,441

	2024		
	Cumulative Remeasurement Gain	Deferred Income Tax	Net
Balance at beginning of year	₱4,381,311	(₱1,095,328)	₱3,285,983
Remeasurement gain	400,236	(100,059)	300,177
Balance at end of year	₱4,781,547	(₱1,195,387)	₱3,586,160

The principal actuarial assumptions used to determine retirement benefits are as follows:

	2025	2024
Discount rate	6.13%	6.12%
Salary increase rate	4.00%	4.00%

The sensitivity analysis based on reasonably possible changes of the assumptions are as follows:

	Change in Assumption	Effect on the present value of retirement liability	
		2025	2024
Discount rate	+100bps	(₱801,420)	(₱923,565)
	-100bps	885,111	1,022,148
Salary increase rate	+100bps	895,140	1,033,638
	-100bps	(824,588)	(950,157)

Each sensitivity analysis on the significant actuarial assumptions was prepared by remeasuring the DBO at the end of each reporting date after first adjusting one of the current assumptions according to the applicable sensitivity increment or decrement (based on changes in the relevant assumption that were reasonably possible at the valuation date) while all other assumptions remained unchanged. The sensitivities were expressed as the corresponding change in the DBO.

It should be noted that the changes assumed to be reasonably possible at the valuation date are open to subjectivity, and do not consider more complex scenarios in which changes other than those assumed may be deemed more reasonable.

The composition of plan assets for benefits as at December 31 is as follows:

	2025	2024
Cash and cash equivalents	0.94%	3.07%
Debt instruments - government bonds	91.07%	87.46%
Debt instruments - other bonds	6.14%	6.53%
Unit investment trust funds	0.91%	0.78%
Others	0.94%	2.16%
	<b>100.00%</b>	<b>100.00%</b>

The retirement plan exposes the Company to actuarial risks as follows:

*Investment and Interest Risks.* The present value of retirement liability for consistency is calculated using a discount rate determined by reference to market yields to government bonds. Generally, a decrease in the interest rate of a reference government bonds will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments and if the return on plan asset falls below this rate, it will create a deficit in the plan.

*Longevity and Salary Risks.* The present value of retirement liability is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

Maturity analysis of the undiscounted benefit payments as at December 31 are as follows:

	2025	2024
Within one year	₱24,739,872	₱23,127,759
More than one year to five years	5,057,932	3,629,351
More than five years	12,239,534	11,425,852
	<b>₱42,037,338</b>	<b>₱38,182,962</b>

The average duration of the retirement liability is 2.4 years and 3.3 years as at December 31, 2025 and 2024, respectively.

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## 18. Significant Agreements

### **Outside Services**

The Company has entered into agreements with a related party and third parties to outsource property management and administration, security services, maintenance, grounds keeping and landscaping, housekeeping, hotel concierge and administration, pest control, medical and technical support, related manpower, and tools and equipment of the aforementioned services. These agreements are valid for terms between one (1) and three (3) years.

Total amount of outside services recognized in profit or loss are as follows:

	Note	2025	2024	2023
Cost of services	14	<b>₱9,124,577</b>	₱8,041,004	₱6,087,420
General and administrative expenses	15	<b>4,198,003</b>	4,857,404	6,161,907
		<b>₱13,322,580</b>	₱12,898,408	₱12,249,327

#### **The Company as a Lessee**

The Company executed a lease agreement with a third party whereby the former shall lease the land of the latter where certain facilities of the Company are located. The term of the lease is three (3) years and automatically renewed unless terminated by both parties.

Rent expense associated with the land lease amounted to ₱24,356, ₱87,390 and ₱68,993 in 2025, 2024 and 2023, respectively.

The Company also has low-value leases for staff housing and equipment with third parties.

Rent expense is presented in the statements of comprehensive income as follows:

	Note	2025	2024	2023
Cost of services	14	<b>₱645,020</b>	₱591,259	₱660,609
General and administrative expenses	15	<b>268,863</b>	329,362	297,939
		<b>₱913,883</b>	₱920,621	₱958,548

#### **The Company as a Lessor**

The Company has entered into a Memorandum of Agreement (MOA) with a third party wherein the latter will lease the land owned by the Company for cell sites to be situated in the area. The agreement shall be deemed to have started on September 1, 2010 and shall end on August 31, 2020 unless earlier terminated and may be renewed for a period to be mutually agreed upon by both parties. Accordingly, this MOA was extended until August 31, 2030. Also, the Company entered into another agreement with the same third party for another cell site to be situated in the area. The agreement shall be deemed to have started on December 4, 2019 and shall end on December 3, 2029 unless earlier terminated.

Cell sites' rental income recognized by the Company amounted to ₱1.6 million in 2025, 2024 and 2023 are disclosed in Note 16 to the financial statements.

#### **Franchise**

The Company entered into a MOA with a third party for the franchise of a convenience store to operate in the premises of the Company. Actual operations commenced on August 3, 2014 and effective until August 3, 2024. This was then subsequently renewed for another five (5) years. Income and cost of sales from franchise amounted to ₱12.2 million and ₱8.2 million, respectively, in 2025; ₱12.6 million and ₱8.4 million, respectively, in 2024; and ₱13.0 million and ₱8.6 million, respectively, in 2023.

**Concessions**

The Company has concession agreements with food, beverage and pharmaceutical service providers, which operate restaurants and pharmacy within the Company’s premises to provide services to their members and guests.

The Company charges the concessionaires commission based on monthly sales. This is presented as part of “Food, beverage and sundries” under “Revenues” account in the statements of comprehensive income.

Payable to concessionaire which pertains to food and beverage sales collected by the Company as at December 31, 2025 and 2024 are disclosed in Note 10 to the financial statements.

Concessionaire charges which pertains to utility costs billed to concessionaires are disclosed in Note 16 to the financial statements.

**19. Income Tax**

The Company has no provision for current income tax due to its tax loss position in 2025, 2024 and 2023. Provision for (benefit from) deferred income tax amounted to (₱0.6 million), ₱0.3 million and (₱0.8 million) in 2025, 2024 and 2023, respectively.

On June 26, 2019, the Supreme Court (SC) released a decision stating that membership dues, assessment fees, etc. are exempt from income tax and VAT. This is the SC case G.R. No. 228539 entitled “Association of Non-Profit Clubs, Inc. (ANPC) vs. Bureau of Internal Revenue” which was rendered final and executory with the Entry of Judgment made at the SC Second Division.

SC ruled that, for as long as these membership fees, assessment dues, and the like are treated as collections by recreational clubs from their members as an inherent consequence of their membership, and are, by nature, intended for the maintenance, preservation, and upkeep of the clubs' general operations and facilities, then these fees cannot be classified as “the income of recreational clubs from whatever source” that are “subject to income tax”. Instead, they only form part of capital from which no income tax may be collected or imposed.

The components of deferred tax liabilities are as follows:

	<b>2025</b>	2024
Net retirement asset	<b>₱420,743</b>	₱1,129,737
Unrealized foreign exchange gain	<b>17,550</b>	55,721
	<b>₱438,293</b>	₱1,185,458

The components of the Company’s unrecognized deferred tax assets as at December 31, 2025 and 2024 are as follows:

	<b>2025</b>	2024
NOLCO	<b>₱42,761,855</b>	₱79,761,934
Excess of contribution over service cost	<b>2,113,201</b>	2,530,759
Allowance for expected credit losses	<b>88,492</b>	88,492
	<b>₱44,963,548</b>	₱82,381,185

These unrecognized deferred tax assets amounting to ₱45.0 million and ₱82.4 million as at December 31, 2025 and 2024, respectively, were not recognized since management believes that it is not probable that taxable income will be available against which the deferred tax assets can be utilized.

Under the Republic Act No. 11494, Bayanihan to Recover As One Act, and Revenue Regulations No. 25-2021, the Company is allowed to carry over its operating losses incurred for the taxable years 2020 and 2021 for the next five years immediately following the year of such loss.

The details of NOLCO which can be claimed as deduction from future taxable income are shown below.

Year Incurred	Beginning Balance	Incurred	Expired	Ending Balance	Valid Until
2025	₱–	₱31,488,095	₱–	₱31,488,095	2028
2024	35,934,307	–	–	35,934,307	2027
2023	49,793,096	–	–	49,793,096	2026
2022	54,459,002	–	(54,459,002)	–	2025
2021	53,831,922	–	–	53,831,922	2026
2020	125,029,407	–	(125,029,407)	–	2025
	<b>₱319,047,734</b>	<b>₱31,488,095</b>	<b>(₱179,488,409)</b>	<b>₱171,047,420</b>	

The reconciliation of provision for (benefit from) income tax computed at the statutory tax rate and the effective tax rate follows:

	2025	2024	2023
Provision for income tax at statutory income tax rate	<b>₱3,977,667</b>	₱5,072,801	₱2,912,746
Tax effects of:			
Expired NOLCO	<b>44,872,102</b>	–	–
Nontaxable membership dues	<b>(23,724,133)</b>	(23,824,079)	(23,581,134)
Nondeductible expenses	<b>12,174,406</b>	10,940,845	7,689,986
Interest income subjected to final tax	<b>(463,128)</b>	(514,628)	(511,132)
Transfer to related party	<b>(3,536)</b>	–	–
Change in unrecognized deferred tax assets	<b>(37,417,637)</b>	8,657,732	12,686,038
	<b>(₱584,259)</b>	₱332,671	(₱803,496)

Corporate Recovery and Tax Incentives for Enterprises Act (CREATE)

Under the CREATE Act which took effect on July 1, 2020, the regular corporate income tax (RCIT) rate of domestic corporations is computed at 25% or 20% depending on the amount of total assets and taxable income. Accordingly, the income tax rates used in preparing the financial statements as at and for the years ended December 31, 2025 and 2024 were 25% for RCIT and 2% for minimum corporate income tax, respectively.

## 20. Financial Assets and Financial Liabilities

### **Financial Risk Management Objectives and Policies**

The Company's principal financial instruments consists of cash and cash equivalents, trade and other receivables, refundable deposits and advances to employees (both presented under "Other noncurrent assets" account) and trade and other payables (excluding statutory payables, membership dues collected in advance, members' prepayments and unclaimed gift certificate). The main purpose of these financial instruments is to provide funds for the Company's operations and capital expenditures.

The BOD has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and manage the Company's exposure to financial risks, to set appropriate transaction limits and controls, and to monitor and assess risks and compliance to internal control policies. Risk management policies and structure are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company has exposure to credit risk and liquidity risk from the use of its financial instruments. The BOD reviews and approves the policies for managing each of these risks.

*Credit Risk.* Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligation. The Company limits its exposure to credit risk by depositing its cash in banks and cash equivalents with high reputable and pre-approved financial institutions. In addition, trade and other receivables are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

The Company's maximum exposure to credit risk is equal to the carrying amount of its financial assets.

The Company has no concentration of credit risk.

The tables below show the credit quality by class of financial assets based on the Company's credit rating system.

	2025		Past Due but not Impaired	Credit Impaired	Total
	Neither Past Due nor Impaired				
	High Grade	Standard Grade			
Lifetime ECL:					
Trade receivables from members	P-	P17,941,737	P-	P-	P17,941,737
Trade receivables from credit card	1,705,399	-	-	-	1,705,399
Nontrade receivables	-	6,681,897	-	353,969	7,035,866
12-month ECL:					
Cash in banks and cash equivalents	82,551,519	-	-	-	82,551,519
Refundable deposits*	-	406,916	-	-	406,916
Advances to employees*	-	300,000	-	-	300,000
	<b>P84,256,918</b>	<b>P25,330,550</b>	<b>P-</b>	<b>P353,969</b>	<b>P109,941,437</b>

\*Presented under "Other noncurrent assets" account in the statements of financial position.

	2024					Total
	Neither Past Due nor Impaired		Past Due but not Impaired	Credit Impaired		
	High Grade	Standard Grade				
<b>Lifetime ECL:</b>						
Trade receivables from members	₱-	₱15,081,046	₱-	₱-		₱15,081,046
Trade receivables from credit card	1,985,827	-	-	-		1,985,827
Nontrade receivables	-	5,567,225	-	353,969		5,921,194
<b>12-month ECL:</b>						
Cash in banks and cash equivalents	76,212,782	-	-	-		76,212,782
Refundable deposits*	-	1,182,676	-	-		1,182,676
	<b>₱78,198,609</b>	<b>₱21,830,947</b>	<b>₱-</b>	<b>₱353,969</b>		<b>₱100,383,525</b>

\*Presented under "Other noncurrent assets" account in the statements of financial position.

The credit quality of the financial assets was determined as follows:

- High grade - applies to customers and counterparties that always pay on time or even before maturity.
- Standard grade - applies to receivable from counterparties that always pay on due date if they are reminded or followed up by the Company.
- Past due but not impaired - items with history of frequent default, nevertheless, the amounts are still collectible.
- Impaired - those that are long outstanding or those that have been provided with an allowance for ECL.

*Liquidity Risk.* Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company seeks to manage its liquidity profile to be able to finance its capital expenditures and service its maturing debts. The Company's objective is to maintain a balance between continuity of funding and flexibility through valuation of projected and actual cash flow information. The Company considers obtaining borrowings as the need arises.

As at December 31, 2025 and 2024, the Company's trade and other payables (excluding statutory payables, membership dues collected in advance, members' prepayments and unclaimed gift certificate) are generally settled within a year.

### **Capital Management**

The primary objective of the Company's capital management is to ensure that the Company has sufficient funds in order to support its operations, pay existing obligations and maximize the members' membership certificate value. The Company manages its capital structure and makes adjustments to it, whenever there are changes in economic conditions. To manage or adjust the capital structure, the Company may obtain additional support from members. No changes were made in the objectives, policies or processes in 2025, 2024 and 2023. The Company considers its equity as capital employed and monitors capital using the monthly cash position report and financial statements.

**Fair Value of Financial Assets and Liabilities**

The table below presents the carrying amount and fair value of financial instruments:

	2025		2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets at Amortized Cost</b>				
Cash and cash equivalents	<b>₱84,960,163</b>	<b>₱84,960,163</b>	₱78,544,718	₱78,544,718
Trade and other receivables	<b>26,329,033</b>	<b>26,329,033</b>	22,634,098	22,634,098
Refundable deposits*	<b>406,916</b>	<b>406,916</b>	1,182,676	1,182,676
Advances to employees*	<b>300,000</b>	<b>300,000</b>	—	—
	<b>₱111,996,112</b>	<b>₱111,996,112</b>	₱102,361,492	₱102,361,492
<b>Financial Liability at Amortized Cost</b>				
Trade and other payables**	<b>₱87,807,108</b>	<b>₱87,807,108</b>	₱91,040,382	₱91,040,382

\*Presented under "Other noncurrent assets" account in the statements of financial position.

\*\*Excluding statutory payables, membership dues collected in advance, members' prepayments and unclaimed gift certificate with an aggregate amount of ₱51.9 million and ₱81.0 million as at December 31, 2025 and 2024, respectively.

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such value:

*Cash and Cash Equivalents, Trade and Other Receivables, Trade and Other Payables (excluding Statutory Payables, Membership Dues Collected in Advance, Members' Prepayments and Unclaimed Gift Certificate).* Due to the short-term nature and demandable feature of these financial instruments, their fair values approximate the carrying amounts as at reporting date.

*Refundable Deposits.* These are presented at cost since the timing and amounts of future cash flows related to the refundable deposits are linked to the termination of the contract with a third party service provider which cannot be reasonably and reliably estimated.

*Advances to Employees.* The carrying value of advances to employees approximates their fair values since the effect of discounting the cash flows from this instrument was determined by management to be insignificant.

There were no transfers between levels in the fair value hierarchy in 2025, 2024 and 2023.



**REPORT OF INDEPENDENT AUDITORS  
TO ACCOMPANY FINANCIAL STATEMENTS FOR FILING WITH THE  
SECURITIES AND EXCHANGE COMMISSION**

The Stockholders and the Board of Directors  
Tagaytay Highlands International Golf Club, Inc.  
Tagaytay Highlands Complex  
Barangay Calabuso, Tagaytay City, Philippines

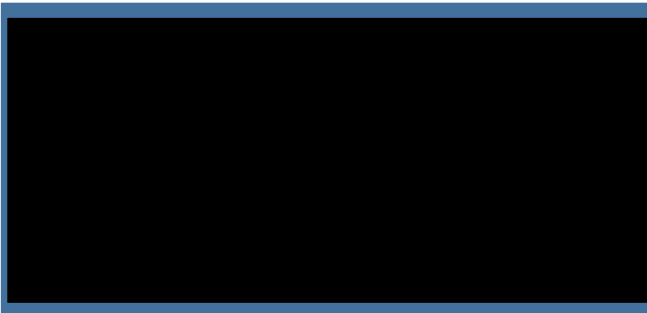
We have audited the accompanying financial statements of Tagaytay Highlands International Golf Club, Inc. (the Company) as at December 31, 2025 and 2024 and for the years ended December 31, 2025, 2024 and 2023, on which we have rendered our report dated April 18, 2026.

In compliance with the Revised Securities Regulation Code Rule 68, we are stating that the Company has one (1) stockholder owning one hundred (100) or more shares.

**REYES TACANDONG & Co.**



CHRISTINA A. JOSE  
Partner



April 18, 2026  
Makati City, Metro Manila



**REPORT OF INDEPENDENT AUDITORS  
ON SUPPLEMENTARY SCHEDULES FOR FILING WITH THE  
SECURITIES AND EXCHANGE COMMISSION**

The Stockholders and the Board of Directors  
Tagaytay Highlands International Golf Club, Inc.  
Tagaytay Highlands Complex  
Barangay Calabuso, Tagaytay City, Philippines

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Tagaytay Highlands International Golf Club, Inc. (the Company) as at December 31, 2025 and 2024 and for the years ended December 31, 2025, 2024 and 2023 and have issued our report thereon dated April 18, 2026. Our audits were made for the purpose of forming an opinion on the financial statements taken as a whole.

The following supplementary schedules are the responsibility of the Company's management. These are presented for purposes of complying with the Revised Securities Regulation Code Rule 68 Part II, and are not part of the basic financial statements:


- Schedules required by Annex 68-J as at December 31, 2025
- Schedule of Financial Soundness Indicators as at and for the years ended December 31, 2025 and 2024

The supplementary schedules have been subjected to the audit procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

The Schedule of Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Company's management.

The financial soundness indicators are not measures of operating performance defined by the Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. The components of these financial soundness indicators have been traced to the Company's financial statements as at December 31, 2025 and 2024.

**REYES TACANDONG & Co.**

  
CHRISTINA A. JOSE  
Partner

April 18, 2026  
Makati City, Metro Manila

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

**SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS**

**DECEMBER 31, 2025 and 2024**

<b>Ratio</b>	<b>Formula</b>	<b>2025</b>	<b>2024</b>
Current Ratio	Total current assets	<b>₱175,853,072</b>	₱181,983,481
	Divided by: Total current liabilities	<b>139,733,041</b>	172,067,677
	Current Ratio	<b>1.26</b>	1.06
Acid Test Ratio	Total current assets	<b>₱175,853,072</b>	₱181,983,481
	Less: Inventories	<b>(1,272,224)</b>	(1,222,373)
	Creditable withholding taxes	<b>(58,447,304)</b>	(56,585,976)
	Other current assets	<b>(4,844,348)</b>	(22,996,316)
	Quick assets	<b>111,289,196</b>	101,178,816
	Divide by: Total current liabilities	<b>139,733,041</b>	172,067,677
Acid Test Ratio	<b>0.8</b>	0.59	
Solvency Ratio	Net income	<b>₱16,494,925</b>	₱19,958,532
	Add: Depreciation and amortization	<b>33,539,524</b>	43,964,456
	Net income before non-cash expenses	<b>50,034,449</b>	63,922,988
	Divided by: Total liabilities	<b>140,171,334</b>	173,253,135
	Solvency Ratio	<b>35.70%</b>	36.90%
Debt-to-Equity Ratio	Total liabilities	<b>₱140,171,334</b>	₱173,253,135
	Divided by: Total equity	<b>372,918,468</b>	356,912,262
	Debt-to-Equity Ratio	<b>0.38</b>	0.49
Asset-to-Equity Ratio	Total assets	<b>₱513,089,802</b>	₱530,165,397
	Divided by: Total equity	<b>372,918,468</b>	356,912,262
	Asset-to-Equity Ratio	<b>1.38</b>	1.49
Return on Equity	Net income	<b>₱16,494,925</b>	₱19,958,532
	Divided by: Average total equity	<b>364,915,365</b>	346,782,908
	Return on Equity	<b>4.52%</b>	5.76%
Return on Assets	Net income	<b>₱16,494,925</b>	₱19,958,532
	Divided by: Average total assets	<b>521,627,600</b>	540,041,353
	Return on Assets	<b>3.16%</b>	3.70%
Net Profit Margin	Net income	<b>₱16,494,925</b>	₱19,958,532
	Divided by: Revenue and other income	<b>177,098,517</b>	189,059,001
	Net Profit Margin	<b>9.31%</b>	10.56%

**TAGAYTAY HIGHLANDS INTERNATIONAL GOLF CLUB, INC.**  
**SEC SUPPLEMENTARY SCHEDULES AS REQUIRED BY**  
**ANNEX 68-J OF REVISED SRC RULE 68**  
**DECEMBER 31, 2025**

**Table of Contents**

<i>Schedule</i>	<i>Description</i>	<i>Page</i>
A	Financial Assets	<u>N/A</u>
B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)	<u>N/A</u>
C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements	<u>N/A</u>
D	Long-Term Debt	<u>N/A</u>
E	Indebtedness to Related Parties	<u>N/A</u>
F	Guarantees of Securities of Other Issuers	<u>N/A</u>
G	Capital Stock	<u>Attached</u>

*Notes:*

*A - None to report. The Company has no financial assets measured at fair value through profit or loss.*

*B - None to report. All receivables arise from the ordinary course of business.*

*C - Not applicable. The Company does not prepare consolidated financial statements.*

*D - None to report. The Company has no long-term debt.*

*E - None to report. The Company has no long-term indebtedness to a related party.*

*F - None to report. The Company has no guarantees of securities of other issuers.*

*\* No profit inures to the exclusive benefit of any of the Company's members and no dividend shall be declared in their favor, hence, a supplementary schedule of reconciliation of retained earnings available for dividend declaration as at December 31, 2025 is not applicable.*

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

**SCHEDULE G – PROPRIETARY MEMBERSHIP CERTIFICATES**

**DECEMBER 31, 2025**

<i><b>Title of Issue</b></i>	<i><b>Number of proprietary membership certificates authorized</b></i>	<i><b>Number of proprietary membership certificates issued and outstanding as shown under statement of financial position</b></i>	<i><b>Number of proprietary membership certificates reserved for options, warrants, conversion and other rights</b></i>	<i><b>Number of proprietary membership certificates held by related parties</b></i>	<i><b>Directors, officers and employees</b></i>	<i><b>Others</b></i>
Proprietary Membership Certificates	3,000	2,957	–	1,325	9	1,623

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

**SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDIT FEE-RELATED INFORMATION  
FOR THE REPORTING PERIOD ENDED DECEMBER 31, 2025**

	<b>Current Year</b>	<b>Prior Year</b>
<b>Total Audit Fees</b>	<b>₱368,000</b>	<b>₱320,000</b>



Tagaytay Highlands International Golf Club &lt;tagaytayhighlands.golf@gmail.com&gt;

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Cc: ME.MANIMTIM@gmail.com

Tue, May 12, 2026 at 8:55 AM

Hi TAGAYTAY HIGHLANDS INTERNATIONAL GOLF CLUB, INC.,

### Valid files

- EAFS000533433TCRTY122025-02.pdf
- EAFS000533433AFSTY122025.pdf
- EAFS000533433TCRTY122025-34.pdf
- EAFS000533433ITRTY122025.pdf
- EAFS000533433RPTTY122025.pdf
- EAFS000533433TCRTY122025-01.pdf

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