



# SECURITIES AND EXCHANGE COMMISSION

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## Company Information

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**SEC Registration No.:** AS95007827

**Company Name:** THE COUNTRY CLUB AT TAGAYTAY HIGHLANDS, INC.

**Industry Classification:** O92499

**Company Type:** Stock Corporation

## Document Information

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Acceptance of this document is subject to review of forms and contents

## CERTIFICATION

I, **ANNA FRANCESCA C. RESPICIO**, Financial Controller, is a duly authorized representative of **THE COUNTRY CLUB AT TAGAYTAY HIGHLANDS, INC. ("Club")**, with SEC registration number AS095007827 and principal office at Tagaytay Highlands Complex, Barangay Calabuso, Tagaytay City, Cavite, 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 will 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.

[REDACTED]

**ANNA FRANCESCA C. RESPICIO**  
Corporate Secretary

14 MAY 2026

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ in Pasig City, affiant exhibiting to me her [REDACTED] issued at DFA Manila which expires on 14 December 2031 and [REDACTED] competent evidence of identity.

Doc. No. 55 ;  
Page No. 12 ;  
Book No. II ;  
Series of 2026.



[REDACTED]

**ALTHEA DOMINICE B. MALIWANAG**  
Notary Public for

Pasig City and Municipality of Pateros  
Appointment No. 157 (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 0 9 5 0 0 7 8 2 7  
S.E.C. Registration Number

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

(Company's Full Name)

T A G A Y T A Y H I G H L A N D S C O M P L E X , B A  
R A N G A Y C A L A B U S O , T A G A Y T A Y C I T Y  
4 1 2 0 , C A V I T E

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

Ma. Perlita B. Menguito  
Contact Person

[Redacted]  
Company Telephone Number

1 2 - 3 1  
Month Day  
Calendar Year

1 7 - A  
FORM TYPE

2 5 - 0 5  
Day Month  
Annual Meeting

[Redacted]  
Secondary License Type, If Applicable

S E C  
Dept. Requiring this Doc.

N / A  
Amended Articles Number/Section

2 3 0 2  
Total No. of Stockholders

Total Amount of Borrowings  
Domestic Foreign

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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**THE COUNTRY CLUB AT TAGAYTAY HIGHLANDS, 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 177 OF THE REVISED CORPORATION CODE OF THE PHILIPPINES**

1. For the twelve months ended **DECEMBER 31, 2025**
2. SEC Identification Number : **ASO95007827**                      3. BIR Tax Identification No.: **004-734-253-000**
4. Exact name of issuer as specified in its charter: **The Country Club at Tagaytay Highlands, Inc.**
5. **Makati, Metro Manila, Philippines**                      6.  (SEC Use Only)  
Province, Country or other jurisdiction of                      Industry Classification Code:  
incorporation or organization
7. **Tagaytay Highlands Complex, Barangay Calabuso, Tagaytay City, Philippines**                      **4120**  
Address of principal office                      Postal Code
8. Issuer's telephone number, including area code : 0917-622-9939
9. Former name, former address, and former fiscal year, if changed since last report: **Not Applicable**
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA
- | Title of Each Class       | Number of Shares of Common Stock<br>Outstanding |
|---------------------------|---|
| <b>Proprietary Shares</b> | <b>5,000</b>                                    |
11. Are any or all of these securities listed on a Stock Exchange.  
Yes [ ]    No [ **x** ]
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);  
Yes [ **x** ]    No [ ]
- (b) has been subject to such filing requirements for the past 90 days.  
Yes [ **x** ]    No [ ]
13. Aggregate market value of the voting stock held by non-affiliates:    **P1,471,600,000**

**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.  
Yes [ ]    No [ ]                      **NOT APPLICABLE**

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

### **Item 1. Business**

The Country Golf was incorporated on June 10, 1997. Its primary purpose is to promote social, recreational and athletic activities among its members on a non-profit basis, the nucleus of which will be the construction, development, and maintenance of a club house, swimming pools, horse back-riding field, botanical gardens, and other sports, health and recreational facilities. The Country Club is situated in Tagaytay City which is about 60 kilometers south of Metro Manila.

The sale of membership shares to the public started in November 1995 but the Country Club officially opened for business in March 1996. Majority of members are private individuals (about 88.06%) most of which are Filipino nationals and citizens and the remaining 11.94% are corporate members. Members of Tagaytay Highlands International Golf Club, Inc. (THIGCI) were given preference to purchase the first few shares before they were offered to the public. The Country 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 to P138,001,023 in 2025, P136,695,477 in 2024, and P131,835,763 in 2023.

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

#### **a. Restaurants**

The Country Club offers dining facilities to its members and their guests with a wide array of cuisines (Western, Chinese, Japanese, Italian, Asian Fusion and Mediterranean. In 2013 up to the present, the Country Club entered into agreements with restaurant establishments to operate some of the restaurants, except for the Highlander Steakhouse, Peak Bar and Highlands China Palace.

#### **b. Banquets and Functions**

The Country Club has meeting and accommodation facilities that will suit the preferences of its members and guests. The Country Club offers corporate meetings, weddings and other events.

#### **c. Sports and Recreational Facilities**

The indoor sports facilities include a 14-lane bowling facility, fitness gym, basketball court, badminton court, and lap pool and a medical clinic. Outdoor facilities include tennis courts, mini-golf, swimming pool, Animal Farm, go-cart race course and biking trail,

d. Accommodation Facilities

Accommodation facilities are available to its members and guests whether it is for business meetings and conferences, weddings or leisure. Members of the Country Club can avail of the restaurant facilities of Tagaytay Highlands International Golf Club, Inc. and Tagaytay Midlands Golf Club, Inc. The restaurant facilities offer Korean, Spanish, Japanese, and Filipino cuisines.

The Golf Club's sources of revenue which are generated from services provided to members and guests include: Food, Beverage and Sundries (88%).

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

**Bankruptcy, Receivership or Similar Proceedings**

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

**Material Reclassification, Merger, Consolidation or Purchase or Sale of a Significant Amount of Assets (not ordinary)**

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

**Competition**

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

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

Although there are other clubs engaged in the same line of business, the Country Club competes in terms of service and facilities. The Country Club is highly competitive because of its wide array of facilities which includes world-class sports and recreational facilities, specialty restaurants and bars offering different cuisines (Filipino, Chinese, Italian, Japanese, Korean, and Western) and accommodation facilities.

**Sources and availability of raw materials**

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

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

In the ordinary course of business, the Country Club engages in transactions with related parties, primarily consisting of the use of the Club's facilities and services as well as reimbursements for certain operating expenses such as contract services, repairs and maintenance, utilities and labor cost. The outstanding balances as at year-end are unsecured, noninterest-bearing, due and demandable and settlement occurs in cash.

**Government Regulations**

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

**Compliance with Environmental Laws**

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

**Employees**

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

Regular Employees (Based on head count as of December 31, 2025)

GM & Department Heads	36
Supervisors	27
Rank and File	<u>63</u>
Total	<u>126</u>

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

There has been no strike brought about by the Country Club's employees in the past twenty-seven (27) years.

**Major Business Risk**

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 Country Club is located in Tagaytay Highlands Complex, Barangay Calabuso, Tagaytay City. The Country Club has complete ownership over the property. In addition, the property is free from all liens, encumbrances or mortgage. There are no limitations as to the ownership brought about by the terms and conditions of any encumbrances.

The principal properties include the Country Clubhouse, the Sports Center which includes a 14-lane bowling facility, indoor lap pool, basketball court, Volleyball Court, badminton court, squash court, Billiards, table tennis, Tennis court, and gym. Other properties include the Animal farm, a camping ground, Biking trail, Fishing Pier, Futsal, Mini golf course, pedal go cart and new Airsoft facility.

## **Item 3. Legal Proceedings**

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

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

During the third quarter of the 2025 calendar/fiscal year, the Country Club held its annual members' 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 Club:

1. Manuel B. Sy (independent)
2. Jessica Bianca T. Sy-Bell
3. Jerry C. Tiu
4. Mischel Gabrielle O. Mendoza
5. Gina Marie Guerrero-Angangco (independent)

All items were affirmatively voted upon (no negative votes and no abstentions) by 2,628 stockholders, representing 57.69% of all stockholders in good standing and entitled to vote. No other matters were 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 Country Club has 5,000 issued and outstanding proprietary shares as of December 31, 2025, of which 46.38% is owned by Belle Corporation and the remaining shares are owned by other club members. There are 2,302 holders of the Club's proprietary shares.

The top shareholders as of 31 December 2025 are as follows:

NAME OF STOCKHOLDER	NO. OF SHARES	%
Belle Corporation	2,319	46.38%
Ivory Holdings, Inc.	267	5.34%
Highlands Prime Inc.	145	2.90%
Jollibee Foods Corporation	14	0.28%
APC Group Inc.	6	0.12%
First Gas Holdings Corp.	4	0.08%
S.P. Properties, Inc.	3	0.06%
Pilipino Star Printing Co., Inc.	3	0.06%
Quality Corrugated Box Manufacturing, Corp.	3	0.06%
OTHERS	2,236	44.72%
Total	5,000	100.00%

**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	600,000	600,000
Quarter ended June 2023	650,000	650,000
Quarter ended September 2023	600,000	400,000
Quarter ended December 2023	600,000	600,000
Quarter ended March 2024	700,000	600,000
Quarter ended June 2024	700,000	700,000
Quarter ended September 2024	850,000	800,000
Quarter ended December 2024	700,000	700,000
Quarter ended March 2025	600,000	600,000
Quarter ended June 2025	700,000	600,000
Quarter ended September 2025	650,000	550,000
Quarter ended December 2025	650,000	500,000

The Country Club's securities are not traded in any of the stock exchanges.

## **Dividends**

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

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

All the Club's securities are registered under the Securities Regulation Code. There 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)**

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

### **Results of Operations**

#### **December 31, 2025 compared to December 31, 2024**

#### **REVENUES**

The Country Club generated total revenues amounting to ₱196.98 million for the year ended December 31, 2025, which increased by ₱2.55 million or 1.31% from ₱194.43 million for the year ended December 31, 2024. This consists of food, beverage and sundries, sports and recreation, and room sales.

#### ***Food, beverage and sundries***

Revenue from food, beverage and sundries increased by 1.25% or ₱2.16 million, from ₱173.11 million for the year ended December 31, 2024 to ₱175.27 million for the year ended December 31, 2025. This is due to higher sales of the club's restaurants.

#### ***Sports and Recreation***

Sports and Recreation increased by ₱0.22 million or 1.67%, from ₱13.28 million in 2024 to ₱13.50 million in 2025. This is mainly due to increase of revenues in indoor sports and recreation.

#### ***Rooms sales***

Rooms sales increased by ₱0.17 million or 2.16%, from ₱8.04 million in 2024 to ₱8.21 million in 2025. This is mainly due to higher occupancy rate.

#### **COST AND EXPENSES**

Cost and expenses for the twelve-month period ended December 31, 2025 amounted to ₱319.97 million, an increase of ₱4.35 million or 1.38% compared to ₱315.62 million in the same period in 2024. This is mainly due to cost of service and general and administrative expenses.

### **Cost of sales**

Cost of sales decreased by ₱2.12 million or 2.46%, declining from ₱86.42 million in 2024 to ₱84.30 million in 2025. This is mainly due to food cost of ₱2.37 million and sundry inventory cost of ₱0.18 million. This is offset by the increase in beverage cost of ₱0.42 million.

### **Cost of services**

Cost of services increased by ₱5.09 million or 2.68%, from ₱190.17 million in 2024 to ₱195.26 million in 2025. This is mainly due to higher banquet expenses, and club events.

### **General and administrative expenses**

General and administrative expenses increased by ₱1.38 million or 3.53%, from ₱39.03 million in 2024 to ₱40.41 million in 2025. This is mainly due to the increase in repairs and maintenance of ₱0.85 million, processing fee of ₱0.80 million, bank charges of ₱0.53 million, entertainment, amusement and recreation of ₱0.27 million, rent of ₱0.13 million, taxes and licenses of 0.04 million, fuel and oil of ₱0.41 million and others of ₱0.92 million. Offset decrease in salaries and other benefits of ₱0.64 million, outside services of ₱0.78 million, depreciation and amortization of ₱0.37 million, communication, light and water of ₱0.42 million, supplies of ₱0.40 million, waste disposal of 0.05 million, insurance of 0.04 million, club events of 0.03 million.

### **OTHER INCOME**

Other income amounting to ₱29.40 million for the year ended December 31, 2025, decreased by ₱10.20 million or 25.76% from ₱39.61 million for the year ended December 31, 2024. This is mainly due to the decrease in assignment fees.

### **Interest Income**

Interest income increased by ₱1.55 million or 43.65%, from ₱3.55 million in 2024 to ₱5.10 million in 2025. The increase is due to higher placements in time deposits throughout 2025, along with an increase in interest rates.

### **Other Income - net**

Other income decreased by ₱11.75 million or 32.60%, from ₱36.06 million in 2024 to ₱24.30 million in 2025, mainly due to reversal of liabilities, club collection, and income from retention recognized in 2024.

### **MEMBERS' SUPPORT**

Membership dues increased by ₱1.31 million or 0.96%, from ₱136.70 million for the twelve-month period ended December 31, 2024 to ₱138 million for the same period ended December 31, 2025, due to the increase in the average number of active members and newly assigned shares.

### **PROVISION FOR DEFERRED INCOME TAX**

Provision for deferred income shifted from an expense of ₱0.11 million in 2024 to a benefit of ₱0.18 million in 2025, resulting in a favorable variance of ₱0.29 million or 266.65%. This change indicates the recognition of deferred tax benefits during the year.

### **NET INCOME**

The Country Club registered a net income of ₱44.60 million for the twelve-month period ended December 31, 2025, representing a decrease of ₱10.41 million or 18.92%, compared to the ₱55.01 million recorded for the corresponding period in 2024.

## **December 31, 2024 compared to December 31, 2023**

### **REVENUES**

The Country Club generated total revenues amounting to ₱194.43 million for the year ended December 31, 2024, which decreased by ₱5.14 million or 2.57% from ₱199.57 million for the year ended December 31, 2023. This is consist of food, beverage and sundries, sports and recreation, and room sales.

#### ***Food, beverage and sundries***

Revenue from food, beverages and sundries decreased by 2.30% or ₱4.07 million, from ₱177.18 million for the year ended December 31, 2023 to ₱173.11 million for the year ended December 31, 2024. This is due to lower sales of the club's restaurants.

#### ***Sports and Recreation***

Sports and Recreation decreased by ₱0.70 million or 5.04%, from ₱13.99 million in 2023 to ₱13.28 million in 2024. This is mainly due to the decrease in revenues from animal farm by ₱0.49 million or 29.83% and gym facilities by ₱0.32 million or 58.79%.

#### ***Rooms sales***

Rooms sales decreased by ₱0.37 million or 4.36%, from ₱8.40 million in 2023 to ₱8.04 million in 2024, mainly due to lower occupancy rate from 27.53% in 2023 to 19.41% in 2024.

### **COST AND EXPENSES**

Cost and expenses for the twelve-month period ended December 31, 2024 amounted to ₱315.62 million, an increase of ₱9.85 million or 3.22% compared to ₱305.77 million in the same period in 2023.

#### ***Cost of sales***

Cost of sales decreased by ₱2.78 million or 3.12%, from ₱89.20 million in 2023 to ₱86.42 million in 2024, relative to the decrease in food and beverage sales of the club's restaurants.

#### ***Cost of services***

Cost of services increased by ₱11.66 million or 6.53%, from ₱178.51 million in 2023 to ₱190.17 million in 2024. This is mainly due to higher communication, light and water expenses, banquet expenses, and club events.

#### ***General and administrative expenses***

General and administrative expenses increased by ₱0.96 million or 2.53%, from ₱38.07 million in 2023 to ₱39.03 million in 2024. This is mainly due to the increase in salaries and other benefits, insurance, and taxes and licenses.

### **OTHER INCOME**

Other income amounting to ₱39.61 million for the year ended December 31, 2024, increased by ₱10.29 million or 35.10% from ₱29.32 million for the year ended December 31, 2023.

#### ***Interest Income***

Interest income increased by ₱2.05 million or 136.06%, from ₱1.50 million in 2023 to ₱3.55 million in 2024. The increase is due to the additional placement of time deposits during the year 2024 and increase in interest rates.

**Other Income - net**

Other income increased by ₱8.24 million or 29.64%, from ₱27.81 million in 2023 to ₱36.06 million in 2024, mainly due to reversal of liabilities, recognition of income from retention, and administration fee and charges.

**MEMBERS' SUPPORT**

Membership dues increased by ₱4.86 million or 3.69%, from ₱131.84 million for the twelve-month period ended December 31, 2023 to ₱136.70 million for the same period ended December 31, 2024, due to the increase in the average number of active members.

**PROVISION FOR DEFERRED INCOME TAX**

Provision for deferred income tax decreased by ₱2.47 million or 95.83%, from ₱2.58 million for the year ended December 31, 2023 to ₱0.11 million for the year ended December 31, 2024. This is mainly due to the smaller movement in the net retirement asset pertaining to profit and loss in 2024 compared to 2023.

**NET INCOME**

The Country Club registered a net income of ₱55.01 million for the twelve-month period ended December 31, 2024, higher by ₱2.64 million or 5.03% compared to the net income of ₱52.37 million for the same period in 2023.

**Financial Condition and Changes in Financial Condition**

**December 31, 2025 compared to December 31, 2024**

**ASSETS**

The Country Club has total assets of ₱906.50 million as of December 31, 2025, an increase of ₱56.59 million or 6.66% from ₱849.91 million as of December 31, 2024. The Country club has a current ratio of ₱2.33 for each peso of current liabilities as of December 31, 2025 as compared to ₱2.29 as of December 31, 2024.

**Cash and Cash Equivalents**

Cash and cash equivalents increased by ₱36.03 million or 22.66%, from ₱159.02 million as of December 31, 2024 to ₱195.05 million as of December 31, 2025.

**Trade and other Receivables**

Trade and other receivables increased by ₱12.95 million or 20.93% as of December 31, 2025, from ₱61.86 million as of December 31, 2024 to ₱74.81 million as of December 31, 2025. The increase was attributed to the increase in receivables of related parties of ₱7.12 million, and receivables of members of ₱10.92 million, offset in decrease of nontrade of ₱3.48 million and allowance for doubtful of ₱1.61 million.

**Inventories**

Inventories increased by ₱2.98 million or 20.42%, from ₱14.58 million as of December 31, 2024 to ₱17.55 million as of December 31, 2025, due to increase from food and beverage.

**Other Current Assets**

Other current assets amounted to ₱71.20 million and ₱85.27 million as of December 31, 2025 and 2024, respectively. A decrease of ₱14.08 million is mainly due to deferred input VAT on capital goods and services of ₱33.71 million, prepayments of ₱2.07 million, offset by the increase in the prepaid input tax of ₱19.79 million, and creditable withholding tax of ₱1.91 million.

### **Property and Equipment**

Property and equipment increased by ₱16.26 million or 3.38%, from ₱480.38 million as of December 31, 2024 to ₱496.64 million as of December 31, 2025. This is attributed to depreciation charges of ₱45.18 million, offset by the additions to building and improvements of ₱36.67 million, facilities and equipment of ₱13.39 million, construction in progress of ₱8.84 million, furniture, fixtures and equipment of ₱0.95 million, and transportation equipment of 1.59 million.

### **Investment Properties**

Investment properties of the Country Club consisting of land not used in operations remain at its carrying value as of December 31, 2025 and 2024 of ₱34.58 million.

### **Net Retirement Asset**

Net retirement asset decreased by ₱2.09 million or 29.92%, from ₱6.98 million as of December 2024 to ₱4.89 million as of December 2025.

### **Other Noncurrent Assets**

Other noncurrent assets increased by ₱4.54 million or 62.68%, from ₱7.24 million as of December 31, 2024 to ₱11.78 million as of December 31, 2025, mainly due to the increase in advances to contractors and suppliers by ₱3.29 million or 58.74%, other noncurrent assets ₱1.23 million or 258.06%, and noncurrent asset of computer software of ₱0.24 million or 28.21%, offset by the decrease in the noncurrent portion of deferred input – VAT on capital goods of ₱0.20 million or 100%, and refundable deposit of ₱0.03 million or 24.50%.

### **Trade and other Payables**

Trade and other payables increased by ₱13.56 million or 9.67%, from ₱140.21 million as of December 31, 2024 to ₱153.77 million as of December 31, 2025. This is mainly due to the increased in payables of third parties of ₱6.91 million or 21.54%, payables of related parties of ₱2.47 million or 110.41%, refundable deposits of ₱2.17 million or 6.93%, accrued expenses of ₱2.51 million or 9.47%, membership dues collected in advance of ₱4.83 million or 18.21%, retention payable ₱2.36 million or 322.51, unclaimed gift certificate of ₱0.62 million or 353.53%, other dues collected in advance of ₱0.11 million, service charge payable of ₱0.13 million or 6.92%, and other payables amounting to ₱0.34 million or 15.74%. Offset decrease in statutory payables of ₱6.31 million or 61.31%, actioned members liability of ₱2.43 million or 52.75%, and room revenue sharing payable of ₱0.14 million or 14.18%.

### **Deferred Tax Liability**

Deferred tax liability decreased by ₱0.53 million or 30.05%, from ₱1.75 million as of December 31, 2024 to ₱1.23 million as of December 31, 2025.

### **MEMBERS' EQUITY**

Members' equity increased by ₱43.56 million or 6.15, from ₱707.95 million as of December 31, 2024 to ₱751.51 million as of December 31, 2025, attributed to the net income of ₱43.56 million for the year.

### **December 31, 2024 compared to December 31, 2023**

#### **ASSETS**

The Country Club has total assets of ₱849.91 million as of December 31, 2024, an increase of ₱39.09 million or 4.82% from ₱810.83 million as of December 31, 2023. The Country club has a current ratio of ₱2.29 for each peso of current liabilities as of December 31, 2024 as compared to ₱1.72 as of December 31, 2023.

### **Cash and Cash Equivalents**

Cash and cash equivalents increased by ₱72.70 million or 84.23%, from ₱86.31 million as of December 31, 2023 to ₱159.02 million as of December 31, 2024. This is the result of the net cash provided by operating activities amounting to ₱121.75 million which was offset by net cash flows used in investing activities of ₱49.07 million.

### **Trade and other Receivables**

Trade and other receivables amounted to ₱61.86 million and ₱110.64 million as of December 31, 2024 and 2023, respectively. The decrease of ₱48.78 million or 44.09% was attributed to the decrease in receivables from related parties of ₱48.51 million or 71.27%, and receivables from members of ₱0.97 million or 3.00%, offset by the increase in nontrade receivables of ₱0.65 or 6.03%.

### **Inventories**

Inventories increased by ₱1.19 million or 8.89%, from ₱13.39 million as of December 31, 2023 to ₱14.58 million as of December 31, 2024, due to increase from food and beverage, and supplies.

### **Other Current Assets**

Other current assets amounted to ₱85.27million and ₱60.60 million as of December 31, 2024 and 2023, respectively. This is mainly due to the increase in the current portion of deferred input VAT on services of ₱20.89 million or 108.91%, creditable withholding tax of ₱2.87 million or 7.64%, and prepayments of ₱2.74 million or 188.45%, offset by the decrease in the current portion of deferred input VAT on capital goods of ₱1.16 million or 67.94%, and input VAT of ₱0.66 million or 100.00%.

### **Property and Equipment**

Property and equipment decreased by ₱14.53 million or 2.94%, from ₱494.91 million as of December 31, 2023 to ₱480.38 million as of December 31, 2024. This is attributed to depreciation charges of ₱59.59 million, offset by the additions to building and improvements of ₱21.54 million, facilities and equipment of ₱11.77 million, construction in progress of ₱4.02 million, furniture, fixtures and equipment of ₱4.01 million, and transportation equipment of ₱3.72 million.

### **Investment Properties**

Investment properties of the Country Club consisting of land not used in operations remain at its carrying value as of December 31, 2024 and 2023 of ₱34.58 million.

### **Net Retirement Asset**

Net retirement asset increased by ₱1.29 million or 22.57%, from ₱5.69 million as of December 2023 to ₱6.98 million as of December 2024, mainly due to the contributions paid to the retirement fund.

### **Other Noncurrent Assets**

Other noncurrent assets increased by ₱2.53 million or 53.83%, from ₱4.71 million as of December 31, 2023 to ₱7.24 million as of December 31, 2024, mainly due to the increase in advances to contractors and suppliers by ₱3.06 million or 120.39%, offset by the decrease in the noncurrent portion of deferred input VAT on capital goods of ₱0.55 million or 73.70%, and amortization of computer software of ₱0.14 million or 13.93%.

### **Trade and other Payables**

Trade and other payables decreased by ₱16.90 million or 10.76%, from ₱157.11 million as of December 31, 2023 to ₱140.21 million as of December 31, 2024. This is mainly due to the decrease in refundable deposits of ₱10.93 million or 25.86%, retention payable of ₱5.13 million or 87.52%, unclaimed gift certificates of ₱2.41 million or 93.25%, accrued expenses of ₱2.21 million or 7.67%,

membership and other dues collected in advance of ₱1.54 million or 5.36%, offset by the increase in statutory payables of ₱6.83 million or 196.69%.

#### **Deferred Tax Liability**

Deferred tax liability increased by ₱0.32 million or 22.75%, from ₱1.43 million as of December 31, 2023 to ₱1.75 million as of December 31, 2024.

#### **MEMBERS' EQUITY**

Members' equity increased by ₱55.66 million or 8.53%, from ₱652.29 million as of December 31, 2023 to ₱707.95 million as of December 31, 2024, attributed to the net income of ₱55.01 million for the year and other comprehensive income of ₱0.65 million.

#### **December 31, 2023 compared to December 31, 2022**

#### **ASSETS**

The Country Club has total assets of ₱810.83 million as of December 31, 2023, an increase of ₱68.01 million or 9.16% from ₱742.82 million as of December 31, 2022. The Country club has a current ratio of ₱1.72 for each peso of current liabilities as of December 31, 2023 as compared to ₱1.42 as of December 31, 2022.

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

Cash and cash equivalents increased by ₱38.62 million or 80.96%, from ₱47.70 million as of December 31, 2022 to ₱86.31 million as of December 31, 2023. This is the result of the net cash provided by operating activities amounting to ₱93.00 million which was offset by net cash flows used in investing activities of ₱54.40 million.

#### **Trade and other Receivables**

Trade and other receivables amounted to ₱110.64 million and ₱77.11 million as of December 31, 2023 and 2022, respectively. The increase of ₱33.53 million or 43.48% was attributed to the increase in receivables from related parties of ₱29.94 million or 78.54%, nontrade receivables of ₱3.60 million or 49.88%, and receivables from members of ₱0.16 million or 0.50%.

#### **Inventories**

Inventories increased by ₱1.05 million or 8.50%, from ₱12.34 million as of December 31, 2022 to ₱13.39 million as of December 31, 2023 due to increase from food and beverage.

#### **Other Current Assets**

Other current assets amounted to ₱60.60 million and ₱56.96 million as of December 31, 2023 and 2022, respectively. This is mainly due to the increase in creditable withholding tax of ₱4.53 million or 13.71%, input VAT of ₱0.63 million or 2209.30%, and current portion of deferred input VAT on services of ₱0.37 million or 1.99%, offset by the decrease in prepayments of ₱1.38 million or 48.77% and current portion of deferred input VAT on capital goods of ₱0.52 million or 23.49%.

#### **Property and Equipment**

Property and equipment increased by ₱3.32 million or 0.68%, from ₱491.59 million as of December 31, 2022 to ₱494.91 million as of December 31, 2023. This is mainly due to additions to building and improvements of ₱57.88 million, facilities and equipment of ₱15.90 million, furniture, fixtures and equipment of ₱3.37 million, and transportation equipment of ₱0.51 million, offset by the depreciation charges for the period of ₱63.49 million and decrease in construction in progress of ₱10.84 million or 65.10%.

**Investment Properties**

Investment properties of the Country Club consisting of land not used in operations remain at its carrying value as of December 31, 2023 and 2022 of ₱34.58 million.

**Net Retirement Asset**

Net retirement asset increased by ₱0.48 million or 9.15%, from ₱5.22 million as of December 2022 to ₱5.69 million as of December 2023, mainly due to the contributions paid to the retirement fund.

**Other Noncurrent Assets**

Other noncurrent assets decreased by ₱12.62 million or 72.84%, from ₱17.33 million as of December 31, 2022 to ₱4.71 million as of December 31, 2023, mainly due to the decrease in advances to contractors and suppliers by ₱10.71 million or 80.82%, deferred input VAT of ₱1.71 million or 69.68%, and amortization of computer software of ₱0.21 million or 17.56%.

**Trade and other Payables**

Trade and other payables increased by ₱20.71 million or 15.18% from ₱136.40 million as of December 31, 2022 to ₱157.11 million as of December 31, 2023. This is mainly due to the increase in refundable deposits of ₱5.77 million or 15.80%, payable to third parties of ₱3.93 million or 13.68%, accrued expenses of ₱3.56 million or 14.12%, retention payable of ₱2.85 million or 94.38%, and membership and other dues collected in advance of ₱2.53 million or 9.68%.

**Deferred Tax Liability**

Deferred tax liability increased by ₱0.11 million or 8.64%, from ₱1.31 million as of December 31, 2022 to ₱1.43 million as of December 31, 2023.

**MEMBERS' EQUITY**

Members' equity increased by ₱47.18 million or 7.80%, from ₱605.11 million as of December 31, 2022 to ₱652.29 million as of December 31, 2023, attributed to the net income of ₱52.37 million for the year and other comprehensive income amounting to ₱5.19 million.

**Annex 68-E**  
**Schedule of Financial Soundness Indicators**  
The Country Club at Tagaytay Highlands, Inc.  
As at December 31, 2025, 2024, and 2023

		31-Dec-25	31-Dec-24	31-Dec-23
<i>Performance Indicators</i>	<i>Formula for Calculation</i>	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>
Current ratio	Current assets over current liabilities	<b>2.33 : 1.00</b>	<b>2.29 : 1.00</b>	<b>1.72 : 1.00</b>
Acid test ratio	Quick assets* over current liabilities	<b>1.75 : 1.00</b>	<b>1.58 : 1.00</b>	<b>1.25 : 1.00</b>
Solvency ratio	EBITDA over total liabilities	<b>59.90%</b>	<b>81.76%</b>	<b>73.22%</b>
Debt to equity ratio	Total liabilities over total members' equity	<b>0.21 : 1:00</b>	<b>0.20 : 1:00</b>	<b>0.24 : 1:00</b>
Asset to equity ratio	Total assets over total members' equity	<b>1.21 : 1.00</b>	<b>1.20 : 1.00</b>	<b>1.24 : 1.00</b>
Return on equity	Net income (loss) over average total members' equity	<b>6.11%</b>	<b>8.09%</b>	<b>8.33%</b>
Return on assets	Net income (loss) over average total assets	<b>5.08%</b>	<b>6.62%</b>	<b>6.74%</b>
Net profit margin	Net income (loss) over total revenue	<b>22.64%</b>	<b>28.29%</b>	<b>26.24%</b>

\* Quick assets – Cash plus receivable

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 Country Club;
- ii. Events that will trigger direct or contingent financial obligation that is material to the Country Club, including any default or acceleration of an obligation;
- iii. Material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Country Club with unconsolidated entities or other persons created during the reporting period;
- iv. Material commitments for capital expenditures that are reasonably expected to have a material impact on the Country Club's short-term or long-term liquidity;
- v. Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations;
- vi. Significant elements of income or loss that did not arise from the Country Club's continuing operations;

- vii. Seasonal aspects that had a material impact on the Country Club's results of operations; and
- viii. Material changes in the financial statements of the Country Club from the year ended December 31, 2024, except as reported in the MD&A.

#### **Other Required Disclosures**

1. The Country Club's annual financial report is in compliance with generally accepted accounting principles. 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 Country 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 prior interim periods of 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 fiscal 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 fiscal period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations.
7. The Country Club has no contingent liabilities or contingent assets.
8. There are no material contingencies existing as of the fiscal period that can have a material effect in the decision making of the financial statement users.
9. The Country Club did not purchase any interest in another entity that is to be considered as a business combination under PFRS 3.
10. The Country Club did not make an early adoption of PFRS 9 (Financial Instruments: Recognition and Measurement) which is effective for annual periods beginning on or after January 1, 2015. The adoption of the first phase of PFRS 9 will have no impact on the classification and measurement of the Club's financial assets and financial liabilities.
11. The application of the amendment on PAS 27 (Separate Financial Statements) will have no significant impact on the Country Club's financial position or financial performance.
12. The application of the amendment on PAS 28 (Investments in Associates and Joint Ventures) will have no significant impact on the Country Club's financial position or financial performance.
13. The amendment on PFRS 1 (Government Loans) does not apply to the Country Club.

14. The amendment of PFRS 7 (Financial Instruments: Disclosures – Offsetting of Financial Assets and Financial Liabilities) only affects disclosures to financial statements and have no impact on the Country Club's financial position or performance.
15. There will be no impact on the Country Club's financial position and performance for the application of PFRS 10 (Consolidated Financial Statements)
16. The application of PFRS 11 (Joint Arrangements) will have no impact on the Country Club's financial position and performance.
17. The application of PFRS 12 (Disclosure of Interests in Other Entities) will have no impact on the Country Club's financial position or performance.
18. The Country Club does not anticipate that the adoption of PFRS 13 (Fair Value Measurement) will have a significant impact on the financial position or performance.

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

The audited statement of financial position as of December 31, 2025 and 2024, and the statements of comprehensive income, statement of changes in members' equity and statements of cash flows for the years ended December 31, 2025, 2024 and 2023 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 Country Club has resigned, was dismissed or has ceased to perform services during the calendar year covered by this report.

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

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

Reyes Tacandong & Co. ("RT&Co") is the Company'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 desire.

Over the past five (5) years, there was no event where previous external auditor or RT&Co. and the Company had any disagreement with regard to 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 the 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 Company engaged Christina A. Jose of RT&Co. for the examination of financial statements of year 2024. Previously, Belinda B. Fernando of RT&Co. handled the examination of financial statements for the years 2021, 2022, and 2023.

The Company paid Reyes Tacandong & Co. ₱358,400 for external audit services for 2025 and ₱320,000 for 2024. For each of the last two (2) calendar years, Reyes Tacandong & Co. did not render services for tax accounting, planning, compliance, advice, or any other professional services for which it billed the Company the corresponding professional fees.

The Audit Committee, currently composed of Ms. Gina Marie Guerrero-Angangco, as Chairperson, Mr. Manuel B. Sy, and Ms. Jessica Bianca T. Sy-Bell 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 Board of Directors 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 Directors and Principal Officers as of 31 January 2026 of the Country Club:

Name	Nationality	Position	Age	Term of Office
Manuel B. Sy	Filipino	Chairman & Lead Independent Director	68	Since 2021
Jerry C. Tiu	Filipino	President & Director	68	Since 2001
Jessica Bianca T. Sy-Bell	Filipino	Director	32	Since 2023
Mischel Gabrielle O. Mendoza	Filipino	Vice Chairman & Director	39	Since 2023
Gina Marie Guererro-Angangco	Filipino	Independent Director	67	Since 2023
Manuel A. Gana	Filipino	Vice President & Treasurer	68	Since 2000
Ma. Clara T. Kramer	Filipino	General Manager	64	Since 2010 to January 2026
Anna Francesca C. Respicio	Filipino	Corporate Secretary	40	Since 2021

A brief write-up on the incumbent directors and principal officers are as follows:

#### **Manuel B. Sy**

Chairman & Lead Independent Director

Mr. Sy, Filipino, 68 years old, is the Country Club's Chairman since 2023 and Independent Director since 2021. He was also an Independent Director of Tagaytay Midlands Golf Club, Inc. from 2021 to 2022.

He is also the President and Chief Executive Officer of Citigold Resources & Development Corporation since 1993. He has also been the Corporate Secretary of Total 2000 Corporation since 1993. He holds multiple leadership roles in residential and corporate organizations, including

serving as Board Director and Treasurer of Penhurst Parkplace since 2007, and as Director of Sapphire Residences, Blue Sapphire Residences, and Crescent Park Residences since 2010. In addition, he has been Chairman of The Country Club at Tagaytay Highlands since 2022. His corporate experience also includes long-standing involvement with Eurobrass Products, Incorporated, where he has served as Director since 1998 and as Treasurer and Chief Finance Officer since 2025. He is also a Director of Philippine Cultural High School and serves as Director and Chairman of the Sports and Games Committee of Wack Wack Golf & Country Club / Homeowners' Association, both since 2025.

Mr. Sy studied B.S. Civil Engineering at Mapua Institute of Technology.

**Jerry C. Tiu**

President & Director

Mr. Tiu, Filipino, 68 years old, is the President of the Country Club since 2001. He is also the President of Tagaytay Highlands International Golf Club, Inc., Tagaytay Midlands Golf Club, Inc., and The Spa & Lodge at Tagaytay Highlands, Inc.

He is likewise the President and Director of Tagaytay Highlands Community Condominium Homeowners' Association, Inc., Tagaytay Midlands Community Homeowners' Association, Inc., and Greenlands Community Homeowners' Association, Inc. He is also Vice-President and Director of The Highlands Prime Community Homeowners' 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 Independent Adviser to the Board of Premium Leisure Corp since 2021.

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

**Jessica Bianca Sy-Bell**

Director

Ms. Sy, Filipino, 32 years old, is a Director of the Country Club since 2023. She is the Vice President – Head of Design, Innovation and Strategy of SM Prime Holdings, Inc. since 2021. She graduated from the Queensland Institute of Technology with a degree in Architecture and Masters of Architecture.

**Mischel Gabrielle O. Mendoza,**

Vice Chairman & Director

Ms. Mendoza, Filipino, 39 years old, is a Director of Country Club since 2023. She has over 15 years of professional experience in Pacific Online Systems Corporation (POSC), a company that provides operating and management systems for the lottery industry of the Philippines. She is concurrently POSC Chief Risk Officer and head of Corporate Planning, and has previously held key position in Business Development, Administration and Marketing.

She is also a Director and co-founder of JIM Weaver Design Corporation. A retail brand specialized in designing fashion and home accessories catering to Filipino culture and heritage. Ms. Mendoza is also a director of Abacore Capital Holdings, Inc and a member of the Board of Trustees of Discovery Primea Condominium Corporation.

Ms. Mendoza earned her Bachelor's Degree in Management Engineering from Ateneo De Manila University and received a certification taken at Tsinghua University in China, Josai International University in Japan, and Asian Institute of Management.

**Gina Marie G. Angangco,**  
Independent Director

Ms. Angangco, Filipino, 67 years old, is an Independent Director of the Country Club since 2023. She is Chairman, Chief Executive Officer, and Director of Squires Bingham International, Inc. since 2019. She is also the Treasurer and a Director of Armscor Global Shared Services since 2015. She is President, Chief Executive Officer, and Director of Armscor Shooting Ranges, Inc., Armscor Shooting Center, Inc., and Armscor Services Center, Inc. since 2005. She is also Treasurer and Director of DCS International Trade Corp., and President, Chief Executive Officer, and Director of Precision Foundry of the Phils. since 1996. She is President, Chief Executive officer, and Director of Armscor Global Defense, Inc., and President, General Manager, and Director of Squires Bingham Co., Inc. since 1991.

She graduated from the University of the Philippines with a degree in Business Economics (Cum Laude), and Masters of Business Administration which she completed at the College of Notre Dame, California, USA.

**Principal Officers**

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

Mr. Gana, Filipino, 68 years old, is the Vice President and Treasurer of the Country Club. He is also a Director, and the Vice President and Treasurer of the Tagaytay Highlands International Golf Club, Inc., Tagaytay Midlands Golf Club, Inc., and The Spa and Lodge at Tagaytay Highlands, Inc.

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.

**Maria Clara T. Kramer – General Manager**  
**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. Respicio, Filipino, 40 years old, is the Corporate Secretary of the Club. She is also the Corporate Secretary of Tagaytay Highlands International Golf Club, Inc., Tagaytay Midlands Golf Club, Inc., and The Spa and Lodge at Tagaytay Highlands, Inc. She is likewise the Corporate Secretary of the following reporting and/or listed companies; 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 Country Club has no significant employees.

**Family Relationships**

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

**Involvement in Certain Legal Proceedings**

The Country 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 Country Club.

##### Summary of Annual Compensation

Name and Principal Position	Year	Salary	Bonus
Claire T. Kramer (General Manager)	2022-2024		
Jerry C. Tiu (President)	2022-2024		
TOTAL SALARIES	2023	P11,900,757	
	2024	P11,974,252	
	2025	P11,699,028	

#### 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 Country Club as of December 31, 2024:

TITLE OF CLASS	NAME AND ADDRESS OF RECORD/BENEFICIAL OWNER	AMOUNT AND NATURE OF RECORD/BENEFICIAL OWNERSHIP	PERCENT OF CLASS
Proprietary share	Belle Corporation * 5 <sup>TH</sup> Floor Tower A, Two E-com Center, Palm Coast Avenue, Mall of Asia Complex, CBP 1-A, Pasay City 1300, Philippines	2,319 shares	46.38%
Proprietary share	Ivory Holdings	267 shares	5.34%

\*Belle Corporation is a publicly listed corporation. The following are the incumbent members of the Board of Directors of Belle Corporation: Mr. Willy N. Ocier, Mr. Armin Antonio B. Raquel Santos, Mr. Jacinto C. Ng, Jr., Mr. Gregory 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 Company as of December 31, 2025:

TITLE OF CLASS	NAME OF BENEFICIAL OWNER	AMOUNT AND NATURE OF OWNERSHIP	CITIZENSHIP	PERCENT OF CLASS
Proprietary Share	<b>Manuel B. Sy</b> [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	<b>Jerry C. Tiu</b> [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	<b>Jessica Bianca T. Sy-Bell</b> [REDACTED]	1 share/Beneficial	Filipino	0.02%

Proprietary Share	<b>Mischel Gabrielle O. Mendoza</b> [REDACTED]	1 share/Beneficial	Filipino	0.02%
Proprietary Share	<b>Gina Marie Guererro-Angangco</b> [REDACTED]	1 share/Beneficial	Filipino	0.02%
Aggregate Security Ownership of Directors and Officers		5 shares		0.10%

(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 Country Club voting securities.

(4) Changes in Control

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

**Item 12. Certain Relationships and Related Transactions**

The Country Club has not been involved in any transaction during the last five (5) years in which any of its directors, executive officers, nominees, or security holders has direct or indirect material interest.

Belle Corporation is the major shareholder of the Country Club owning 2,319 shares or 46.38% of the total outstanding shares of the Country 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 Company. 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.

In compliance with SEC Memorandum Circular No. 24 series of 2019, the Club has revised its Manual on Corporate Governance to conform to the recommended good corporate governance principles for Registered Issuers and Public Companies, and regularly submits to SEC its Corporate Governance Reports.

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 material 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**

See accompanying Index to Exhibits.

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

The following Current Reports (SEC Form 17-C) were filed pursuant to the provision of the Securities Regulation Code:

<b>Date Filed</b>	<b>Information</b>
06 August 2025	2025 ASM Schedule and Record Date
15 September 2025	Result of the Annual Stockholders' Meeting and Organizational Meeting of the Board

**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



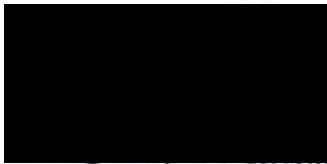
**MA. PERLITA B. MENGUITO**  
General Manager



**KARREN T. PEÑALBA**  
OIC - Finance

**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 (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



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

Doc. No. 450  
Page No. 91  
Book No. 247  
Series of 2026.



**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:

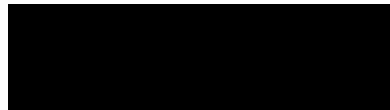


**ANNA FRANCESCA C. RESPICIO**  
Corporate Secretary

11 MAY 2026

**SUBSCRIBED AND SWORN** to before me this \_\_\_\_\_ day 2026 of at Pasig City, Metro Manila, affiant having exhibited to me her Philippine Passport No. P8460959B issued on 15 December 2021 at DFA Manila and Driver's License ID No. N02-04-511683 as her competent evidence of identity.

Doc. No. 24 ;  
Page No. 7 ;  
Book No. II ;  
Series of 2026.



**ALTHEA DOMINQUEE V. MALIWANAG**  
Notary Public for  
Pasig City and Municipality of Pateros  
Appointment No. 100 (2026-2027)  
Commission Expires on December 31, 2027  
2704 East Tower, Teklite 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

**THE COUNTRY CLUB AT TAGAYTAY HIGHLANDS, INC.**  
(A Nonprofit Corporation)

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

**FORM 17-A, Item 7**

	<u>Page No.</u>
<b>Financial Statements</b>	
Statement of Management's Responsibility for Financial Statements	
Report of Independent Public Accountants	
Statements of Financial Position as at 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 Required by Annex 68-J</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. Proprietary Membership Certificates	Attached

**THE COUNTRY CLUB AT TAGAYTAY HIGHLANDS, INC.  
SUPPLEMENTARY SCHEDULE REQUIRED BY ANNEX 68-J  
DECEMBER 31, 2025**

**Schedule A. Financial Assets**

None to report. The Country Club has no financial assets measured at fair value through profit or loss.

**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	Noncurrent	Balance as at December 31, 2025
			Amount Collected	Amount Written Off			

None to report. 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	Noncurrent	Balance as at December 31, 2025
			Amount Collected	Amount Written Off			

Not applicable. The Country Club does not prepare consolidated financial statements.

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

<b>Title of Issue and Type of Obligation</b>	<b>Amount Authorized by Indenture</b>	<b>Amount shown under caption "Current portion of long-term debt" in related balance sheet</b>	<b>Amount shown under caption "Long term debt" in related balance sheet</b>
None to report. The Country Club has no long-term debt.			

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

<b>Name</b>	<b>Balance, January 1, 2025</b>	<b>Balance, December 31, 2025</b>
None to report. The Country Club has no long-term indebtedness to a related party.		

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

<b>Name of Issuing Entity of Securities Guaranteed by the Company for which this statement is filed</b>	<b>Title of Issue of Each Class of Securities Guaranteed</b>	<b>Total Amount Guaranteed and Outstanding</b>	<b>Amount Owned by Person for which the Statement is Filed</b>	<b>Nature of Guarantee</b>
None to report. The Country Club has no guarantees of securities of other issuers.				

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

<b>Title of Issue</b>	<b>Number of Shares Authorized</b>	<b>Number of Shares Issued and Outstanding</b>	<b>Number of Shares Reserved for Options, Warrants, Conversions, and Other Rights</b>	<b>Number of Shares Held By</b>		
				<b>Related parties</b>	<b>Directors, Officers and Employees</b>	<b>Others</b>
Common	5,000	5,000	–	2,321	6	2,673

**THE COUNTRY CLUB AT TAGAYTAY HIGHLANDS, 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	0	9	5	0	0	7	8	2	7
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### COMPANY NAME

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

### 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
---	---	---	---

Department requiring the report

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

Secondary License Type, If Applicable

N	/	A
---	---	---

### COMPANY INFORMATION

Company's Email Address

--

Company's Telephone Number

--

Mobile Number

--

No. of Stockholders

2,235

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

--

Telephone Number

-

Mobile Number

--

### CONTACT PERSON'S ADDRESS

Barangay Tranca, Talisay, Batangas

**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 The Country Club at Tagaytay Highlands 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.

[Redacted Signature]

Manuel B. Sy  
Chairman of the Board

[Redacted Signature]

Jerry C. Tiu  
President

[Redacted Signature]

[Redacted Signature]

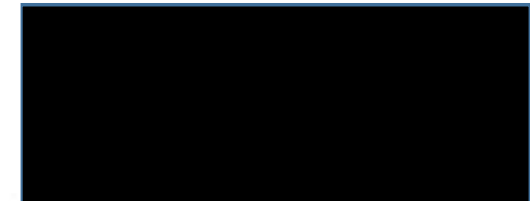
Manuel A. Gana  
Vice President / Treasurer

Signed this 05 day of May, 2026.

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

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

Doc. No. 943 ;  
Page No. 90 ;  
Book No. 247 ;  
Series of 2026 .



~~ATTY. VALENTIN C. GUANIO~~  
JP 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



## INDEPENDENT AUDITORS' REPORT

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

### *Opinion*

We have audited the financial statements of The Country Club at Tagaytay Highlands, 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 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 audit 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

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

**STATEMENTS OF FINANCIAL POSITION**

		December 31	
	Note	2025	2024
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	<b>₱195,046,692</b>	₱159,017,641
Trade and other receivables	5	<b>74,811,324</b>	61,862,203
Inventories	6	<b>17,554,429</b>	14,577,737
Other current assets	7	<b>71,197,342</b>	85,273,909
Total Current Assets		<b>358,609,787</b>	320,731,490
<b>Noncurrent Assets</b>			
Property and equipment	8	<b>496,641,081</b>	480,380,318
Investment property	9	<b>34,581,711</b>	34,581,711
Net retirement asset	18	<b>4,891,275</b>	6,979,070
Other noncurrent assets	10	<b>11,779,330</b>	7,240,707
Total Noncurrent Assets		<b>547,893,397</b>	529,181,806
		<b>₱906,503,184</b>	₱849,913,296
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liability</b>			
Trade and other payables	11	<b>₱153,768,566</b>	₱140,209,102
<b>Noncurrent Liability</b>			
Deferred tax liabilities	20	<b>1,225,292</b>	1,751,762
Total Liabilities		<b>154,993,858</b>	141,960,864
<b>Equity</b>			
Proprietary membership certificates	13	<b>500,000,000</b>	500,000,000
Additional paid-in capital	13	<b>1,048,932,564</b>	1,048,932,564
Deficit		<b>(789,646,106)</b>	(834,245,217)
Cumulative remeasurement loss on net retirement asset - net of deferred tax	18	<b>(7,777,132)</b>	(6,734,915)
Total Equity		<b>751,509,326</b>	707,952,432
		<b>₱906,503,184</b>	₱849,913,296

*See accompanying Notes to Financial Statements.*

**THE COUNTRY CLUB AT TAGAYTAY HIGHLANDS, INC.**  
**STATEMENTS OF COMPREHENSIVE INCOME**

		Years Ended December 31		
	Note	2025	2024	2023
<b>REVENUES</b>				
Food, beverage and sundries		P175,269,263	P173,111,166	P177,177,686
Sports and recreation		13,504,375	13,283,168	13,988,086
Room sales		8,209,216	8,035,665	8,401,976
		<b>196,982,854</b>	194,429,999	199,567,748
<b>COSTS AND EXPENSES</b>				
Cost of sales	15	84,299,380	86,422,770	89,202,519
Cost of services	15	195,263,942	190,169,709	178,505,828
General and administrative expenses	16	40,405,294	39,028,633	38,066,616
		<b>319,968,616</b>	315,621,112	305,774,963
<b>OTHER INCOME</b>				
Interest income	4	5,101,174	3,551,183	1,504,351
Other income - net	17	24,303,612	36,058,156	27,813,256
		<b>29,404,786</b>	39,609,339	29,317,607
<b>DEFICIENCY OF REVENUES OVER COSTS AND EXPENSES BEFORE MEMBERS' SUPPORT</b>				
		<b>(93,580,976)</b>	(81,581,774)	(76,889,608)
<b>MEMBERS' SUPPORT</b>				
Membership dues		138,001,023	136,695,477	131,835,763
<b>EXCESS OF REVENUES AND MEMBERS' SUPPORT OVER COSTS AND EXPENSES</b>				
		<b>44,420,047</b>	55,113,703	54,946,155
<b>PROVISION FOR (BENEFIT FROM) DEFERRED INCOME TAX</b>				
	20	<b>(179,064)</b>	107,451	2,575,694
<b>NET INCOME</b>				
		<b>44,599,111</b>	55,006,252	52,370,461
<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	18	<b>(1,042,217)</b>	651,532	(5,188,845)
<b>TOTAL COMPREHENSIVE INCOME</b>				
		<b>P43,556,894</b>	P55,657,784	P47,181,616
<b>BASIC AND DILUTED INCOME PER PROPRIETARY MEMBERSHIP CERTIFICATE</b>				
	14	<b>P8,920</b>	P11,001	P10,474

See accompanying Notes to Financial Statements.

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

**STATEMENTS OF CHANGES IN EQUITY**

	Note	Years Ended December 31		
		2025	2024	2023
<b>PROPRIETARY MEMBERSHIP CERTIFICATES</b>	13	<b>₱500,000,000</b>	₱500,000,000	₱500,000,000
<b>ADDITIONAL PAID-IN CAPITAL</b>	13	<b>1,048,932,564</b>	1,048,932,564	1,048,932,564
<b>DEFICIT</b>				
Balance at beginning of year		<b>(834,245,217)</b>	(889,251,469)	(941,621,930)
Net income		<b>44,599,111</b>	55,006,252	52,370,461
Balance at end of year		<b>(789,646,106)</b>	(834,245,217)	(889,251,469)
<b>CUMULATIVE REMEASUREMENT LOSS ON NET</b>				
<b>RETIREMENT ASSET - Net of Deferred Tax</b>				
	18			
Balance at beginning of year		<b>(6,734,915)</b>	(7,386,447)	(2,197,602)
Remeasurement gain (loss)		<b>(1,042,217)</b>	651,532	(5,188,845)
Balance at end of year		<b>(7,777,132)</b>	(6,734,915)	(7,386,447)
		<b>₱751,509,326</b>	₱707,952,432	₱652,294,648

*See accompanying Notes to Financial Statements.*

**THE COUNTRY CLUB AT TAGAYTAY HIGHLANDS, 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		<b>₱44,420,047</b>	₱55,113,703	₱54,946,155
Adjustments for:				
Depreciation and amortization	8	<b>48,240,688</b>	61,060,899	63,699,575
Interest income	4	<b>(5,101,174)</b>	(3,551,183)	(1,504,351)
Retirement expense	18	<b>3,045,889</b>	2,758,284	2,275,060
Reversal of liabilities	17	<b>(2,284,527)</b>	(5,079,743)	(897,772)
Provision for expected credit losses (ECL)	5	<b>1,609,019</b>	–	172,882
Gain on sale of property and equipment	8	<b>(112,464)</b>	–	–
Unrealized foreign exchange gain	17	<b>(9,889)</b>	(27,975)	(14,750)
Loss on retirement of property and equipment	8	<b>1,500</b>	7,670	–
Reversal of allowance for ECL	5	–	(53,040)	–
Operating income before working capital changes		<b>89,809,089</b>	110,228,615	118,676,799
Decrease (increase) in:				
Trade and other receivables		<b>(14,306,455)</b>	49,168,523	(33,645,111)
Inventories		<b>(2,976,692)</b>	(1,189,846)	(1,048,873)
Other current assets		<b>15,986,017</b>	(21,804,947)	868,669
Increase (decrease) in trade and other payables		<b>15,843,991</b>	(11,817,056)	21,636,766
Net cash generated from operations		<b>104,355,950</b>	124,585,289	106,488,250
Interest received		<b>4,959,695</b>	3,210,714	1,447,384
Income tax paid		<b>(1,909,450)</b>	(2,872,832)	(4,531,661)
Benefits paid	18	<b>(1,305,629)</b>	(195,806)	(5,296,476)
Contributions to the retirement plan	18	<b>(1,152,294)</b>	(2,979,060)	(5,106,960)
Net cash provided by operating activities		<b>104,948,272</b>	121,748,305	93,000,537
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Acquisitions of property and equipment	8	<b>(64,460,847)</b>	(46,401,661)	(66,813,550)
Proceeds from sale of property and equipment	8	<b>112,464</b>	–	–
Decrease (increase) in other noncurrent assets		<b>(4,580,727)</b>	(2,670,716)	12,413,512
Net cash used in investing activities		<b>(68,929,110)</b>	(49,072,377)	(54,400,038)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>36,019,162</b>	72,675,928	38,600,499
<b>EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>		<b>9,889</b>	27,975	14,750
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		<b>159,017,641</b>	86,313,738	47,698,489
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>₱195,046,692</b>	₱159,017,641	₱86,313,738
<b>COMPONENTS OF CASH AND CASH EQUIVALENTS</b>				
	4			
Cash on hand		<b>₱969,870</b>	₱1,336,108	₱1,287,894
Cash in banks		<b>69,094,562</b>	52,609,980	36,647,582
Cash equivalents		<b>124,982,260</b>	105,071,553	48,378,262
		<b>₱195,046,692</b>	₱159,017,641	₱86,313,738

See accompanying Notes to Financial Statements.

**THE COUNTRY CLUB AT TAGAYTAY HIGHLANDS, 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**

The Country Club at Tagaytay Highlands, Inc. (the Company) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on August 11, 1995. The Company was established to promote social, recreational and athletic activities, maintenance of sports and recreational activities among its members on a non-profit basis, the nucleus of which will be the construction, development, and maintenance of a club house, swimming pools, horseback-riding field, botanical gardens, and other sports, health and recreational facilities.

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

On September 29, 1995, the SEC granted the Company a permit to offer its proprietary membership certificates to the public (see Note 13). Belle Corporation (Belle), a publicly-listed company in the Philippines, owns 46.38% and 46.42% of the Company's proprietary membership certificates as at December 31, 2025 and 2024, respectively.

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 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 are 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 9 and 21 to the financial statements.

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

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 amendments provide 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, advances to employees and refundable deposits (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 membership dues collected in advance, statutory payables 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.

### **Other Current Assets**

This account mainly consists of creditable withholding taxes (CWT), input value-added tax (VAT), deferred input VAT and prepayments.

*CWT.* CWT represents the amount withheld by the Company's customers in relation to its income. CWT is stated at its net realizable amount and 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.

*VAT.* Revenues, expenses and assets are 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 and payables that are stated with the amount of tax included.

The net amount of tax recoverable from or payable to the taxation authority is included as part of "Input VAT" under "Other current assets" account or "Statutory payables" under "Trade and other payables" account, respectively, in the statements of financial position.

*Deferred Input VAT.* Deferred input VAT represents VAT on the unpaid portion of availed services and 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. Otherwise, this is classified as noncurrent asset.

*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.

**Property and Equipment**

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

The initial cost of property and equipment consists of its purchase price, including 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 and amortization is computed on the straight-line basis over the estimated useful lives of the assets. The depreciation and amortization 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 is 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 are 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 assets 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 advances to contractors and suppliers and 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.

*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 are 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.

### **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 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 par 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 Loss 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 Certificate**

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.

*Sports and Recreation and Room Sales.* Revenue from sports and recreational activities and room sales are recognized upon satisfaction of the performance obligation of transferring the promised services to the customers.

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

*Other Income.* This includes membership transfer fees, commission income, admin fee and charges and 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) and the effect of asset ceiling at the end of the reporting period.

Retirement benefit costs are actuarially determined using the projected unit credit method which reflects 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. These 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.

### **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 benefit 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 for 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. 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 non-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 estimates and use assumptions that affect amounts of assets, liabilities, income and expenses reported in the financial statements and related notes. The judgment, 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 Property 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 (see Note 19).

#### **Accounting Estimates and Assumptions**

The key accounting 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 60 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 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.

The Company recognized a provision for ECL amounting to ₱1.6 million in 2025 and ₱0.2 million in 2023, while no provision for ECL was recognized in 2024. 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 10 to the financial statements.

*Determining the NRV of Inventories.* The Company writes down the carrying value of inventories whenever NRV of inventories becomes lower than cost due to damage, physical deterioration, obsolescence, changes in prices level or other causes. The carrying value of inventories is reviewed at each reporting date. Inventory items identified to be obsolete and unusable are also written off and charged as expense in the statements of comprehensive income.

No provision for inventory write-down was recognized in 2025, 2024 and 2023. The carrying amount of inventories as at December 31, 2025 and 2024 are disclosed in Note 6 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 lives 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 8 to the financial statements.

*Assessing the 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 7, 8, 9 and 10 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 18 to the financial statements.

Retirement expense recognized in profit or loss in 2025, 2024 and 2023 and the carrying amount of net retirement asset as at December 31, 2025 and 2024, are disclosed in Note 18 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 20 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>₱969,870</b>	₱1,336,108
Cash in banks	<b>69,094,562</b>	52,609,980
Cash equivalents	<b>124,982,260</b>	105,071,553
	<b>₱195,046,692</b>	₱159,017,641

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 (3) months depending on the immediate cash requirements of the Company, and earn interest based on prevailing market interest rates.

Interest income earned amounted to ₱5.1 million, ₱3.6 million, and ₱1.5 million in 2025, 2024 and 2023, respectively. Interest receivable, included as part of "Nontrade" in "Trade and other receivables" account, amounted to ₱0.6 million and ₱0.4 million as at December 31, 2025 and 2024, respectively (see Note 5).

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#### 5. Trade and Other Receivables

	Note	2025	2024
Trade:			
Members		<b>₱42,196,282</b>	₱31,277,319
Related parties	12	<b>26,678,745</b>	19,557,345
Credit card		<b>1,951,140</b>	3,231,000
Nontrade		<b>6,025,118</b>	8,227,481
		<b>76,851,285</b>	62,293,145
Less allowance for ECL		<b>2,039,961</b>	430,942
		<b>₱74,811,324</b>	₱61,862,203

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 related parties consist of charges for the use of the Company's facilities. These receivables are noninterest-bearing and are due and demandable.

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 have a term of 30 to 90 days.

Movement in allowance for ECL is as follows:

	Note	2025	2024	2023
Balance at beginning of year		<b>₱430,942</b>	₱483,982	₱311,100
Provision	15, 16	<b>1,609,019</b>	–	172,882
Reversal	17	–	(53,040)	–
Balance at end of year		<b>₱2,039,961</b>	₱430,942	₱483,982

Provision for ECL is allocated as follows:

	Note	2025	2024	2023
Cost of services	15	<b>₱804,509</b>	₱–	₱86,441
General and administrative expenses	16	<b>804,510</b>	–	86,441
		<b>₱1,609,019</b>	₱–	₱172,882

In 2024, the Company reversed allowance for ECL amounting to ₱53,040 due to the excess in allowance previously recognized (see note 17).

## 6. Inventories

The carrying amounts of inventories amounted to ₱17.6 million and ₱14.6 million as at December 31, 2025 and 2024, respectively. The cost of the Company's inventories is lower than its NRV. No provision for inventory write-down was recognized in 2025, 2024 and 2023.

Cost of inventories charged to operations amounted to ₱84.3 million, ₱86.4 million and ₱89.2 million in 2025, 2024, and 2023, respectively (see Note 15).

## 7. Other Current Assets

This account consists of:

	2025	2024
CWT	P42,375,150	P40,465,700
Input VAT	19,794,572	-
Deferred input VAT	6,913,767	40,620,283
Prepayments	2,113,853	4,187,926
	<b>P71,197,342</b>	<b>P85,273,909</b>

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.

## 8. Property and Equipment

Balances and movements in this account are as follows:

	2025						Total
	Land	Building and Improvements	Facilities and Equipment	Furniture, Fixtures and Equipment	Transportation Equipment	Construction In Progress	
<b>Cost</b>							
Balances at beginning of year	P328,019,641	P1,222,151,249	P584,316,001	P120,222,222	P26,571,567	P9,837,251	P2,291,117,931
Additions	-	5,354,352	12,252,653	1,457,116	1,590,982	43,805,744	64,460,847
Reclassifications	-	32,794,936	1,787,158	383,804	-	(34,965,898)	-
Retirement	-	(1,473,095)	(652,185)	(349,136)	-	-	(2,474,416)
Disposals	-	-	(1,000)	(540,026)	-	-	(541,026)
Balances at end of year	328,019,641	1,258,827,442	597,702,627	121,173,980	28,162,549	18,677,097	2,352,563,336
<b>Accumulated Depreciation and Amortization</b>							
Balances at beginning of year	-	1,123,704,428	552,166,141	112,045,211	22,821,833	-	1,810,737,613
Depreciation and amortization	-	28,293,693	14,324,121	4,483,807	1,096,963	-	48,198,584
Retirement	-	(1,473,095)	(650,685)	(349,136)	-	-	(2,472,916)
Disposals	-	-	(1,000)	(540,026)	-	-	(541,026)
Balances at end of year	-	1,150,525,026	565,838,577	115,639,856	23,918,796	-	1,855,922,255
<b>Carrying Amount</b>	<b>P328,019,641</b>	<b>P108,302,416</b>	<b>P31,864,050</b>	<b>P5,534,124</b>	<b>P4,243,753</b>	<b>P18,677,097</b>	<b>P496,641,081</b>

	2024						Total
	Land	Building and Improvements	Facilities and Equipment	Furniture, Fixtures and Equipment	Transportation Equipment	Construction In Progress	
<b>Cost</b>							
Balances at beginning of year	P328,019,641	P1,200,612,526	P572,548,464	P116,214,819	P22,847,694	P5,812,919	P2,246,056,063
Additions	-	16,959,687	13,054,272	4,060,461	3,723,873	8,603,368	46,401,661
Reclassifications	-	4,579,036	-	-	-	(4,579,036)	-
Retirement	-	-	(1,286,735)	(53,058)	-	-	(1,339,793)
Balances at end of year	328,019,641	1,222,151,249	584,316,001	120,222,222	26,571,567	9,837,251	2,291,117,931
<b>Accumulated Depreciation and Amortization</b>							
Balances at beginning of year	-	1,084,798,488	538,739,244	105,141,027	22,466,950	-	1,751,145,709
Depreciation and amortization	-	38,905,940	14,705,962	6,957,242	354,883	-	60,924,027
Retirement	-	-	(1,279,065)	(53,058)	-	-	(1,332,123)
Balances at end of year	-	1,123,704,428	552,166,141	112,045,211	22,821,833	-	1,810,737,613
<b>Carrying Amount</b>	<b>P328,019,641</b>	<b>P98,446,821</b>	<b>P32,149,860</b>	<b>P8,177,011</b>	<b>P3,749,734</b>	<b>P9,837,251</b>	<b>P480,380,318</b>

Depreciation and amortization recognized in profit and loss consists of:

	Note	2025	2024	2023
Property and equipment		<b>₱48,198,584</b>	₱60,924,027	₱63,490,202
Computer software	10	<b>42,104</b>	136,872	209,373
		<b>₱48,240,688</b>	₱61,060,899	₱63,699,575

Depreciation and amortization are allocated as follows:

	Note	2025	2024	2023
Cost of services	15	<b>₱44,903,993</b>	₱57,310,635	₱59,970,463
General and administrative expenses	16	<b>3,336,695</b>	3,750,264	3,729,112
		<b>₱48,240,688</b>	₱61,060,899	₱63,699,575

The Company sold fully depreciated property and equipment which resulted to a gain on sale amounting to ₱0.1 million in 2025. This is recognized as part of “Others” under “Other income” account (see Note 17).

The Company retired several property and equipment resulting to a loss of ₱1,500, ₱7,670 and nil in 2025, 2024 and 2023, respectively. This is recognized as part of “Others” under “Other income” account (see Note 17).

The cost of fully depreciated property and equipment still being used by the Company amounted to ₱1,711.9 million and ₱1,671.3 million as at December 31, 2025 and 2024, respectively.

Construction in progress pertains to construction of peak bar, boom gates, sports center 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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## 9. Investment Property

This account pertains to land held for undetermined future use. The property is carried at cost amounting to ₱34.6 million as at December 31, 2025 and 2024.

The fair value of the land amounting to ₱207.5 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.

## 10. Other Noncurrent Assets

This account consists of:

	2025	2024
Advances to contractors and suppliers	<b>₱9,809,748</b>	₱5,601,351
Computer software	<b>1,084,363</b>	845,775
Advances to employees	<b>450,000</b>	–
Refundable deposits	<b>90,604</b>	120,000
Deferred input VAT on capital goods - net of current portion	–	195,263
Others	<b>344,615</b>	478,318
	<b>₱11,779,330</b>	₱7,240,707

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

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		<b>₱1,711,386</b>	₱1,711,386
Additions		<b>280,692</b>	–
Balance at end of year		<b>1,992,078</b>	1,711,386
<b>Accumulated Amortization</b>			
Balance at beginning of year		<b>865,611</b>	728,739
Amortization	8	<b>42,104</b>	136,872
Balance at end of year		<b>907,715</b>	865,611
<b>Carrying Amount</b>		<b>₱1,084,363</b>	₱845,775

Advances to employees are non-interest bearing and are expected to be settled more than 12 months from availment date.

## 11. Trade and Other Payables

This account consists of:

	Note	2025	2024
Trade:			
Third parties		<b>₱39,611,072</b>	₱32,037,611
Related parties	12	<b>4,698,101</b>	2,232,789
Refundable deposits		<b>33,513,377</b>	31,342,542
Membership dues collected in advance		<b>31,342,113</b>	26,514,374
Accrued expenses		<b>29,076,202</b>	26,562,093
Statutory payables		<b>3,983,829</b>	10,298,222
Retention payable		<b>3,090,822</b>	731,541
Auctioned membership liability		<b>2,177,013</b>	4,607,656
Service charge payable		<b>2,063,573</b>	1,930,091
Room sharing payable		<b>860,805</b>	1,003,053
Unclaimed gift certificates		<b>796,650</b>	174,500
Other dues collected in advance		<b>744,600</b>	630,300
Others		<b>1,810,409</b>	2,144,330
		<b>₱153,768,566</b>	₱140,209,102

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

Trade payables 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.

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. These deposits also include amounts received for functions, representing advance payments and deposits for conferences, meetings, and events to be held at the Club.

Membership dues collected in advance pertain to membership dues that are already collected but are not yet earned as at reporting date. These are expected to be classified as members' support within the next financial year.

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

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

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

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 the term of 30 to 180 days.

Service charge payable refers to amount charged to members for services rendered in restaurants, banquets and inns. The amount is to be distributed and paid to covered employees the following month.

Room sharing payable pertains to the collections from rental of members' units. This is noninterest-bearing and payable to the members within one (1) year.

Unclaimed gift certificate refers to the gift certificates issued by the Company for availment by the members of services and products of the Company. Paid gift certificates are recognized as liability upon receipt of cash. Complimentary and barter gift certificates are recognized as expense upon issuance.

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 consist of payables to nontrade suppliers for general, engineering, and maintenance supplies, among others. This account also includes assessments payable to employees at year-end. These payables are noninterest-bearing and are normally settled within one year.

The Company reversed liabilities amounting to ₱2.3 million, ₱5.1 million and ₱0.9 million in 2025, 2024 and 2023, respectively (see Note 17).

## 12. Related Party Transactions

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

Related Parties	Transactions	Amount of Transactions			Outstanding Balance	
		2025	2024	2023	2025	2024
<b>Stockholder</b>						
<i>Trade and other payables</i> <i>(see Note 11)</i>	Utilities and repairs and maintenance	<b>₱26,012,145</b>	₱27,425,618	₱25,428,117	<b>₱3,187,757</b>	₱2,232,789
<b>Related Parties with Common Stockholder</b>						
<i>Trade and other receivables</i> <i>(see Note 5)</i>	Food, beverage and sundries, sports and recreation, room sales and reimbursement of expenses	<b>₱144,363,019</b>	₱214,969,203	₱216,506,815	<b>₱26,678,745</b>	₱19,557,345
<i>Trade and other payables</i> <i>(see Note 11)</i>	Club services and reimbursement of expenses	<b>₱67,046,899</b>	₱141,666,840	₱108,200,992	<b>₱1,510,344</b>	₱-
<b>Plan Assets</b>						
<i>Retirement plan assets</i> <i>(see Note 18)</i>	Contribution	<b>₱1,152,294</b>	₱2,979,060	₱5,106,960	<b>₱61,830,150</b>	₱57,763,696

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

The outstanding balances as at year-end are unsecured, noninterest-bearing, due and demandable and settlement is performed 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 and repairs and maintenance works.

Transactions with Other Tagaytay Highlands Clubs

*Reciprocity Agreements.* On October 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 are 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.

*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>₱11,360,058</b>	₱11,462,957	₱13,668,657
Post-employment benefits	<b>338,970</b>	511,295	140,120
	<b>₱11,699,028</b>	₱11,974,252	₱13,808,777

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13. **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
September 29, 1995	5,000	5,000	₱400,000 to ₱600,000

The proprietary membership certificates amounted to ₱500,000,000 divided into 5,000 shares with par value of ₱100,000 per share. The Company's APIC, which is the excess of proceeds and/or fair value received, amounted to ₱1,048.9 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 stockholder, 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 stockholders, hence, no dividends shall be declared in their favor. Stockholders shall be entitled only to a pro-rata share of the asset 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 and other dues and assessments in such amounts and subject to such rules and conditions as may be prescribed in the By-Laws or by the Board of Directors 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. In the case of a corporate stockholder, the designated representative shall be initially billed for such dues. In case of non-payment by the representative, the corporate stockholder shall be ultimately liable for the payment of such dues. Such dues together with all other obligations of the stockholders 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 Board of Directors in the manner provided in the By-Laws to satisfy said dues or other obligations of the stockholders.
- e. Any stockholder 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 Board of Directors 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 violation 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 Board of Directors. If an application for membership of a stockholder is disapproved by the Board of Directors, the stockholder shall dispose of his share within a period of sixty (60) days from notice of such disapproval. In the event of his failure to effect such transfer, his share shall be offered for sale at auction in the manner prescribed in the By-Laws or by the Board of Directors.

- g. In case any stockholder or member 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 Board of Directors, or commit any other act or conduct which the Board of Directors may deem injurious to the interest or hostile to the objects of the Company, such stockholder or member may be expelled by the Board of Directors in the manner provided in the By-Laws upon proper notice and hearing, and he shall then cease to be a stockholder 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 stockholder to make payment of his share, and upon such payment the stockholder shall forthwith transfer the share 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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#### 14. Basic and Diluted Income Per Proprietary Membership Certificate

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

	2025	2024	2023
Net income (a)	₱44,599,111	₱55,006,252	₱52,370,461
Weighted average number of proprietary membership certificates (b)	5,000	5,000	5,000
Basic and diluted income per proprietary membership certificate (a/b)	₱8,920	₱11,001	₱10,474

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.

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#### 15. Cost of Sales and Services

##### Cost of Sales

This account consists of:

	2025	2024	2023
Food cost	₱63,989,047	₱66,355,507	₱71,420,529
Sundry inventory cost	12,790,739	12,967,805	10,061,449
Beverage cost	7,519,594	7,099,458	7,720,541
	₱84,299,380	₱86,422,770	₱89,202,519

Cost of Services

This account consists of:

	Note	2025	2024	2023
Salaries and other benefits		<b>₱46,579,636</b>	₱43,536,533	₱42,019,944
Depreciation and amortization	8	<b>44,903,993</b>	57,310,635	59,970,463
Repairs and maintenance		<b>22,001,948</b>	16,778,671	15,140,250
Communication, light and water		<b>21,364,843</b>	20,966,916	15,860,303
Banquet expense		<b>12,097,797</b>	5,862,417	1,744,172
Outside services	19	<b>9,668,395</b>	9,829,896	10,547,553
Supplies		<b>7,140,405</b>	7,209,972	7,219,769
Club events		<b>5,360,916</b>	5,117,589	1,274,500
Rent	19	<b>4,333,918</b>	4,331,238	4,502,200
Laundry		<b>2,003,685</b>	2,539,719	2,558,916
Fuel and oil		<b>1,959,122</b>	1,297,807	3,392,955
Retirement expense	18	<b>1,522,945</b>	1,379,142	1,137,530
Bank charges		<b>1,514,467</b>	1,149,351	1,094,667
Taxes and licenses		<b>1,481,031</b>	1,459,120	1,205,621
Animal farm		<b>1,413,935</b>	1,275,885	1,192,227
Insurance		<b>1,105,409</b>	1,096,805	826,261
Provision for ECL	5	<b>804,509</b>	–	86,441
Dues and subscriptions		<b>697,507</b>	449,577	158,864
Waste disposal		<b>654,643</b>	383,685	467,545
Representation		<b>490,771</b>	316,748	170,343
Transportation and travel		<b>158,757</b>	59,985	46,840
Advertising and promotions		<b>123,403</b>	206,519	277,569
Decorations, flowers and plants		<b>50,555</b>	69,179	104,125
Others		<b>7,831,352</b>	7,542,320	7,506,770
		<b>₱195,263,942</b>	₱190,169,709	₱178,505,828

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

Details of salaries and other benefits are as follows:

	2025	2024	2023
Salaries and wages	<b>₱39,556,782</b>	₱38,095,260	₱36,629,405
Employee benefits and others	<b>15,175,232</b>	14,233,155	13,649,928
	<b>₱54,732,014</b>	₱52,328,415	₱50,279,333

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

	Note	2025	2024	2023
Cost of services		<b>₱46,579,636</b>	₱43,536,533	₱42,019,944
General and administrative expenses	16	<b>8,152,378</b>	8,791,882	8,259,389
		<b>₱54,732,014</b>	₱52,328,415	₱50,279,333

## 16. General and Administrative Expenses

This account consists of:

	Note	2025	2024	2023
Salaries and other benefits	15	<b>₱8,152,378</b>	₱8,791,882	₱8,259,389
Outside services	19	<b>5,375,203</b>	6,159,025	6,759,018
Repairs and maintenance		<b>5,031,773</b>	4,177,315	4,291,644
Depreciation and amortization	8	<b>3,336,695</b>	3,750,264	3,729,112
Communication, light and water		<b>3,169,248</b>	3,590,239	2,723,971
Processing fee		<b>3,000,000</b>	3,000,000	3,000,000
Bank charges		<b>1,684,111</b>	1,149,351	1,094,669
Retirement expense	18	<b>1,522,944</b>	1,379,142	1,137,530
Taxes and licenses		<b>1,448,255</b>	1,408,001	1,142,977
Supplies		<b>1,010,331</b>	1,411,582	1,447,060
Representation		<b>978,871</b>	704,677	754,795
Insurance		<b>969,956</b>	1,006,650	723,221
Provision for ECL	5	<b>804,510</b>	–	86,441
Fuel and oil		<b>744,382</b>	337,578	210,693
Rent	19	<b>684,600</b>	558,414	538,267
Club events		<b>487,080</b>	517,628	324,026
Waste disposal		<b>148,500</b>	195,739	415,759
Others		<b>1,856,457</b>	891,146	1,428,044
		<b>₱40,405,294</b>	₱39,028,633	₱38,066,616

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

## 17. Other Income - Net

This account consists of:

	Note	2025	2024	2023
Membership transfer fees		<b>₱7,254,464</b>	₱7,245,536	₱8,802,243
Commission income	19	<b>3,786,373</b>	3,310,225	3,959,894
Concessionaire charges		<b>2,895,369</b>	2,923,797	752,920
Members' penalties and charges		<b>2,296,408</b>	1,987,683	2,051,747
Reversal of liabilities	11	<b>2,284,527</b>	5,079,743	897,772
Club events		<b>1,889,838</b>	1,537,825	1,944,975
Assignment fees		<b>1,028,484</b>	8,477,583	6,983,880
Club collection		<b>1,012,360</b>	1,495,836	1,487,947
Insurance claims		<b>731,869</b>	–	–
Medical services		<b>289,729</b>	397,836	338,890
Unrealized foreign exchange gain		<b>9,889</b>	27,975	14,750
Income from retention		–	2,513,772	–
Reversal of allowance for ECL	5	–	53,040	–
Others		<b>824,302</b>	1,007,305	578,238
		<b>₱24,303,612</b>	₱36,058,156	₱27,813,256

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.

Commission income includes share of the Company to the income of its caterers.

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 ₱2.9 million and ₱0.8 million in 2024 and 2023, respectively, which were previously classified as part of “Others”.

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

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

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.

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

Others mainly pertain to income derived from events held by the Company which include wedding ceremonies, seminars, among others. This also includes gain on sale and loss on retirement of property and equipment.

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## 18. Retirement Benefits

The Company is a participant to the Tagaytay Highlands Multiemployer Retirement Plan which is a non-contributory defined benefit plan. The plan provides a retirement benefit equal to one hundred percent (100%) of plan salary for every year of 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>₱3,508,268</b>	₱3,190,719	₱2,819,728
Net interest income	<b>(504,945)</b>	(463,383)	(583,991)
Interest on the effect of the asset ceiling	<b>42,566</b>	30,948	39,323
	<b>₱3,045,889</b>	₱2,758,284	₱2,275,060

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

	Note	2025	2024	2023
Cost of services	15	<b>₱1,522,945</b>	₱1,379,142	₱1,137,530
General and administrative expenses	16	<b>1,522,944</b>	1,379,142	1,137,530
		<b>₱3,045,889</b>	₱2,758,284	₱2,275,060

The components of net retirement asset are as follows:

	2025	2024
FVPA	<b>₱61,830,150</b>	₱57,763,696
Present value of DBO	<b>(56,538,071)</b>	(50,089,095)
Effect of asset ceiling	<b>(400,804)</b>	(695,531)
	<b>₱4,891,275</b>	₱6,979,070

The changes in FVPA are as follows:

	2025	2024
Balance at beginning of year	<b>₱57,763,696</b>	₱50,155,154
Interest income	<b>3,570,398</b>	3,109,010
Contributions	<b>1,152,294</b>	2,979,060
Remeasurement gain (loss)	<b>(656,238)</b>	1,520,472
Balance at end of year	<b>₱61,830,150</b>	₱57,763,696

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

	2025	2024
Balance at beginning of year	<b>₱50,089,095</b>	₱43,947,292
Current service cost	<b>3,508,268</b>	3,190,719
Interest expense	<b>3,065,453</b>	2,645,627
Benefits paid from book reserve	<b>(1,305,629)</b>	(195,806)
Remeasurement loss (gain) on DBO due to changes in:		
Experience adjustments	<b>651,966</b>	735,534
Demographic assumptions	<b>397,782</b>	–
Financial assumptions	<b>20,930</b>	(234,271)
Transfer to the plan	<b>110,206</b>	–
Balance at end of year	<b>₱56,538,071</b>	₱50,089,095

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

	2025	2024
Balance at beginning of year	<b>₱695,531</b>	₱514,084
Interest cost	<b>42,566</b>	30,948
Remeasurement loss (gain)	<b>(337,293)</b>	150,499
	<b>₱400,804</b>	₱695,531

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	<b>₱8,979,886</b>	<b>(₱2,244,971)</b>	<b>₱6,734,915</b>
Remeasurement loss	<b>1,389,623</b>	<b>(347,406)</b>	<b>1,042,217</b>
Balance at end of year	<b>₱10,369,509</b>	<b>(₱2,592,377)</b>	<b>₱7,777,132</b>

	2024		
	Cumulative Remeasurement Gain	Deferred Income Tax	Net
Balance at beginning of year	<b>₱9,848,596</b>	<b>(₱2,462,149)</b>	<b>₱7,386,447</b>
Remeasurement loss	<b>(868,710)</b>	<b>217,178</b>	<b>(651,532)</b>
Balance at end of year	<b>₱8,979,886</b>	<b>(₱2,244,971)</b>	<b>₱6,734,915</b>

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

	2025	2024
Discount rate	<b>6.11%</b>	6.12%
Salary increase rate	<b>4.00%</b>	4.00%

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

	Change in Assumptions	Effect on the present value of retirement liability	
		2025	2024
Discount rate	+100bps	<b>(₱2,008,845)</b>	(₱2,221,158)
	-100bps	<b>2,190,452</b>	2,452,341
Salary increase rate	+100bps	<b>2,214,667</b>	2,479,867
	-100bps	<b>(2,066,894)</b>	(2,285,167)

Each sensitivity analysis on the significant actuarial assumptions was prepared by remeasuring the DBO at the balance sheet 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 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%	0.00%
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%	5.23%
	<b>100.00%</b>	<b>100.00%</b>

The retirement plan exposes the Company to actuarial risks are 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 1 year	₱26,690,645	₱20,794,022
More than 1 year to 5 years	25,330,954	17,369,206
More than 5 years	26,390,257	30,348,760
	<b>₱78,411,856</b>	<b>₱68,511,988</b>

The weighted average duration of the retirement liability is 4.0 years and 4.7 years as at December 31, 2025 and 2024, respectively.

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## 19. Significant Agreements

### Outside Services

The Company 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, technical support, related manpower and tools and equipment of the aforementioned services. These agreements are valid for terms between one (1) and two (2) years.

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

	Note	2025	2024	2023
Cost of services	15	<b>₱9,668,395</b>	₱9,829,896	₱10,547,553
General and administrative expenses	16	<b>5,375,203</b>	6,159,025	6,759,018
		<b>₱15,043,598</b>	₱15,988,921	₱17,306,571

### **Concessions**

The Company has concession agreements with food and beverage service providers, which operate restaurants 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.

Concessionaire charges which pertains to utility costs billed to concessionaires are disclosed in Note 17 to the financial statements.

### **Catering Services**

The Company has memorandum agreements with catering service providers to deliver catering services for events and functions held for members and guests.

The Company charges the caterers commission based on sales. Commission income amounted to ₱3.8 million, ₱3.3 million and ₱4.0 million in 2025, 2024 and 2023, respectively (see Note 17).

### **Leases**

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 ₱3.8 million, ₱3.8 million and ₱3.7 million 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	15	<b>₱4,333,918</b>	₱4,331,238	₱4,502,200
General and administrative expenses	16	<b>684,600</b>	558,414	538,267
		<b>₱5,018,518</b>	₱4,889,652	₱5,040,467

## 20. 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 (₱0.2 million), ₱0.1 million and ₱2.6 million in 2025, 2024 and 2023, respectively.

On June 26, 2019, the Supreme Court (SC) released a decision discussing 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 the Company’s deferred tax liabilities are as follows:

	2025	2024
Net retirement asset	₱1,222,820	₱1,744,768
Unrealized foreign exchange gain	2,472	6,994
	<b>₱1,225,292</b>	<b>₱1,751,762</b>

The components of the Company’s unrecognized deferred tax assets are as follows:

	2025	2024
NOLCO	₱55,461,226	₱87,915,360
Excess of contribution over service cost	3,624,810	4,419,405
Allowance for ECL	509,990	107,736
	<b>₱59,596,026</b>	<b>₱92,442,501</b>

These unrecognized deferred tax assets amounting to ₱59.6 million and ₱92.4 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. 25-2022, 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	₱–	₱61,567,619	₱–	₱61,567,619	2028
2024	51,144,693	–	–	51,144,693	2027
2023	50,374,751	–	–	50,374,751	2026
2022	48,858,120	–	(48,858,120)	–	2025
2021	58,757,839	–	–	58,757,839	2026
2020	142,526,037	–	(142,526,037)	–	2025
	<b>₱351,661,440</b>	<b>₱61,567,619</b>	<b>(₱191,384,157)</b>	<b>₱221,844,902</b>	

The reconciliation of provision for income tax computed at the statutory tax rate and the effective tax rate is as follows:

	2025	2024	2023
Provision for income tax at statutory income tax rate	<b>₱11,105,012</b>	₱13,778,426	₱13,736,539
Tax effects of:			
Expired NOLCO	<b>47,846,039</b>	–	–
Nontaxable membership dues	<b>(34,500,256)</b>	(34,173,869)	(32,958,941)
Nondeductible expenses	<b>9,519,462</b>	9,412,372	9,760,062
Interest income subjected to final tax	<b>(1,275,294)</b>	(887,796)	(376,088)
Transfer to related party	<b>(27,552)</b>	–	–
Change in unrecognized deferred tax assets	<b>(32,846,475)</b>	11,978,318	12,414,122
	<b>(₱179,064)</b>	₱107,451	₱2,575,694

Corporate Recovery and Tax Incentives for Enterprises Act (CREATE Act)

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.

## 21. Financial Assets and Financial Liabilities

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

The Company's principal financial instruments consist of cash and cash equivalents, trade and other receivables, advances to employees and refundable deposits (both presented under "Other noncurrent assets" account) and trade and other payables (excluding membership dues collected in advance, statutory payables 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 highly 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 credit losses 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				
	Neither Past Due nor Impaired		Past Due but not Impaired	Credit Impaired	Total
	High Grade	Standard Grade			
Lifetime ECL:					
Trade receivables from members	P-	P40,156,321	P-	P2,039,961	P42,196,282
Trade receivables from related parties	-	26,678,745	-	-	26,678,745
Trade receivables from credit card	1,951,140	-	-	-	1,951,140
12-month ECL:					
Cash in banks and cash equivalents	194,076,822	-	-	-	194,076,822
Nontrade receivables	-	6,025,118	-	-	6,025,118
Advances to employees*	-	450,000	-	-	450,000
Refundable deposits*	-	90,604	-	-	90,604
	<b>P196,027,962</b>	<b>P73,400,788</b>	<b>P-</b>	<b>P2,039,961</b>	<b>P271,468,711</b>

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

	2024				
	Neither Past Due nor Impaired		Past Due but not Impaired	Credit Impaired	Total
	High Grade	Standard Grade			
Lifetime ECL:					
Trade receivables from members	P-	P30,846,377	P-	P430,942	P31,277,319
Trade receivables from related parties	-	19,557,345	-	-	19,557,345
Trade receivables from credit card	3,231,000	-	-	-	3,231,000
12-month ECL:					
Cash in banks and cash equivalents	157,681,533	-	-	-	157,681,533
Nontrade receivables	-	8,227,481	-	-	8,227,481
Refundable deposits*	-	120,000	-	-	120,000
	<b>P160,912,533</b>	<b>P58,751,203</b>	<b>P-</b>	<b>P430,942</b>	<b>P220,094,678</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 membership dues collected in advance, statutory payables 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	₱195,046,692	₱195,046,692	₱159,017,641	₱159,017,641
Trade and other receivables	74,811,324	74,811,324	61,862,203	61,862,203
Advances to employees*	450,000	450,000	—	—
Refundable deposits*	90,604	90,604	120,000	120,000
	<b>₱270,398,620</b>	<b>₱270,398,620</b>	<b>₱220,999,844</b>	<b>₱220,999,844</b>
<b>Financial Liabilities at Amortized Cost</b>				
Trade and other payables**	<b>₱117,645,974</b>	<b>₱117,645,974</b>	<b>₱103,222,006</b>	<b>₱103,222,006</b>

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

\*\*Excluding membership dues collected in advance, statutory payables and unclaimed gift certificate with an aggregate amount of ₱36.1 million and ₱37.0 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 Membership Dues Collected in Advance, Statutory Payables 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.

*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.

*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 the electricity provider which cannot be reasonably and reliably estimated.

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  
The Country Club at Tagaytay Highlands, Inc.  
Tagaytay Highlands Complex  
Barangay Calabuso, Tagaytay City, Philippines

We have audited the accompanying financial statements of The Country Club at Tagaytay Highlands, 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 three (3) stockholders owning one hundred (100) or more shares each.

**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  
The Country Club at Tagaytay Highlands, Inc.  
Tagaytay Highlands Complex  
Barangay Calabuso, Tagaytay City, Philippines

We have audited in accordance with Philippine Standards on Auditing, the financial statements of The Country Club at Tagaytay Highlands, 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 basic 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:

- Schedule of Financial Soundness Indicators as at and for the years ended December 31, 2025 and 2024
- Schedules required by Annex 68-J of the Revised Securities Regulation Code (SRC) Rule 68 as at and for the year ended December 31, 2025

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.

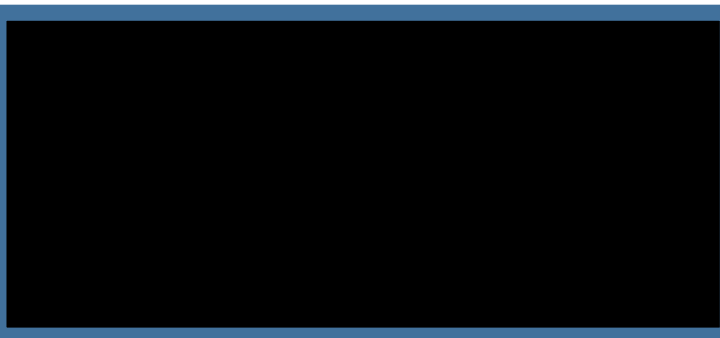
The Schedule of Financial Soundness Indicators, including their definitions, formulas, calculations, and their appropriateness or usefulness to the intended users, are the responsibility of the Company's management.

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 similarity 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

**THE COUNTRY CLUB AT TAGAYTAY HIGHLANDS, 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>₱358,609,787</b>	₱320,731,490
	Divided by: Total current liabilities	<b>153,768,566</b>	140,209,102
	Current Ratio	<b>2.33</b>	2.29
Acid Test Ratio	Total current assets	<b>₱358,609,787</b>	₱320,731,490
	Less: Inventories	<b>(17,554,429)</b>	(14,577,737)
	Other current assets	<b>(71,197,342)</b>	(85,273,909)
	Quick assets	<b>269,858,016</b>	220,879,844
	Divide by: Total current liabilities	<b>153,768,566</b>	140,209,102
	Acid Test Ratio	<b>1.75</b>	1.58
Solvency Ratio	Net income	<b>₱44,599,111</b>	₱55,006,252
	Add: Depreciation and amortization	<b>48,240,688</b>	61,060,899
	Net income before depreciation and amortization	<b>92,839,799</b>	116,067,151
	Divided by: Total liabilities	<b>154,993,858</b>	141,960,864
	Solvency Ratio	<b>59.90%</b>	81.76%
Debt-to-Equity Ratio	Total liabilities	<b>₱154,993,858</b>	₱141,960,864
	Divided by: Total equity	<b>751,509,326</b>	707,952,432
	Debt-to-Equity Ratio	<b>0.21</b>	0.20
Asset-to-Equity Ratio	Total assets	<b>₱906,503,184</b>	₱849,913,296
	Divided by: Total equity	<b>751,509,326</b>	707,952,432
	Asset-to-Equity Ratio	<b>1.21</b>	1.20
Return on Equity	Net income	<b>₱44,599,111</b>	₱55,006,252
	Divided by: Average total equity	<b>729,730,879</b>	680,123,540
	Return on Equity	<b>6.11%</b>	8.09%
Return on Assets	Net income	<b>₱44,599,111</b>	₱55,006,252
	Divided by: Average total assets	<b>878,208,240</b>	830,370,489
	Return on Assets	<b>5.08%</b>	6.62%
Net Profit Margin	Net income	<b>₱44,599,111</b>	₱55,006,252
	Divided by: Revenue and other income	<b>226,387,640</b>	234,039,338
	Net Profit Margin	<b>19.70%</b>	23.50%

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

**Table of Contents**

<u>Schedule</u>	<u>Description</u>	<u>Page</u>
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	Proprietary Membership Certificates	<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.*

**THE COUNTRY CLUB AT TAGAYTAY HIGHLANDS, INC.**  
**SCHEDULE G – PROPRIETARY MEMBERSHIP CERTIFICATES**  
**DECEMBER 31, 2025**

<i>Title of issue</i>	<i>Number of proprietary membership certificates authorized</i>	<i>Number of proprietary membership certificates issued and outstanding as shown under statement of financial position</i>	<i>Number of Proprietary membership certificates reserved for options, warrants, conversion and other rights</i>	<i>Number of proprietary membership certificates held by</i>		
				<i>Related parties</i>	<i>Directors, officers and employees</i>	<i>Others</i>
Proprietary Membership Certificates	5,000	5,000	–	2,319	5	2,676

**THE COUNTRY CLUB AT TAGAYTAY HIGHLANDS, 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>



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Tue, May 12, 2026 at 9:01 AM

Hi THE COUNTRY CLUB AT TAGAYTAY HIGHLANDS, INC.,

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- EAFS004734253TCRTY122025-02.pdf
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- EAFS004734253ITRTY122025.pdf
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Transaction Code: **AFS-0-PVVZNMYS032WYVPPQPTMQWNPS0AJ859ELB**  
Submission Date/Time: **May 12, 2026 09:01 AM**  
Company TIN: **004-734-253**

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