

COVER SHEET

A 1 9 9 6 1 0 8 2 6

SEC Registration Number

E A G L E R I D G E G O L F A N D C O U N T R Y

C L U B I N C .

(Company's Full Name)

B R G Y . J A V A L E R A , G E N . T R I A S ,

C A V I T E

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

MARIZA SANTOS-TAN /
JONATHAN F. JIMENEZ

Contact Person

(02) 722-5811

Company Telephone Number

(Any day in October)

1 2

Month Day
Fiscal Year

3 1

Day

**SEC Form 20-IS
Preliminary Information
Statement**

FORM TYPE

1 0

Month Day
Annual Meeting

2 4

Day

Secondary License Type, If Applicable

C F D

Dept Requiring this Doc

N.A.

Amended Articles Number / Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

**INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE**

1. Check the appropriate box:
 Preliminary Information Statement
 Definitive Information Statement
2. Name of Corporation as specified in its charter: **Eagle Ridge Golf and Country Club Inc.**
3. Province, country or other jurisdiction of incorporation or organization; Cavite, **Philippines**
4. SEC Identification Number: **A1996-10826**
5. BIR Tax Identification Code: **005-643-401V**
6. **Barangay Javalera, General Trias, Cavite** **4107**
Address of principal office Postal Code
7. Corporation's telephone number, including area code **(046) 419-2852**
8. Date, time and place of the meeting of security holders
Date : 24 October 2024
Time : 2:00 p.m
Place : Main Clubhouse, Eagle Ridge Golf & Country Club, General Trias City, Cavite and via Zoom Videoconferencing and simultaneously face-to-face
9. Approximate date on which the Information Statement is first to be sent or given to security holders is on or before **September 27, 2024.**
10. **In case of proxy solicitations**
Name of Person Filing the Statement/Solicitor: **The Management of the Corporation**
Address and Telephone Number: Brgy. Javalera, Gen. Trias, Cavite; (046) 419-2852
11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):
- | Title of Each Class | No. of Shares Outstanding Amount
(As of September 5, 2024) |
|--------------------------------|---|
| Class "A" Common Shares | 3,128 - Php 48.73M |
| Class "B" Common Shares | 889 - Php 4.51M |
| Class "C" Common Shares | <u>692 - Php 12.03M</u> |
| TOTAL | 4,709 - Php 65.27M |
12. Are any or all of Corporation's Securities listed with the Philippine Stock Exchange?
Yes _____ No _____

PART I

INFORMATION STATEMENT

This information statement is dated September 5, 2024, and is being furnished to stockholders of record of Eagle Ridge Golf & Country Club, Inc. (the 'Club' or the "Company" or the "Corporation" or "ERGCCI") as of September 5, 2024 in connection with its Hybrid Annual Stockholders Meeting.

A. GENERAL INFORMATION

Item 1. Date, time and place of meeting of security holders.

The Hybrid Annual Stockholders' Meeting of the Club will be held on October 24, 2024, at 2:00 o'clock in the afternoon, by Zoom Videoconferencing and simultaneously by face-to-face or in-person meeting at the Club. The complete mailing address of the Club is:

EAGLE RIDGE GOLF AND COUNTRY CLUB, INC.
Barangay Javalera, General Trias, Cavite

The Preliminary Information Statement and form of proxy will be sent to the stockholders entitled to vote as of September 5, 2024 (the "Record Date") on or before September 27, 2024 or at least fifteen (15) business days prior to the meeting date.

The matters to be considered and acted upon at such meeting are referred to in the Notice and are more fully discussed in this information statement.

Item 2. Dissenters' Right of Appraisal

There are no matters or proposed corporate actions included in the Agenda of the Meeting which may give rise to a possible exercise by security holders of their appraisal rights. Generally, however, in the specific instances mentioned by the Corporation Code of the Philippines, the stockholders of the Club have the right of appraisal provided that the procedures and the requirements of Title X of the Revised Corporation Code governing the exercise of the right are complied with. The provisions of Title X are as follows:

"TITLE X

APPRAISAL RIGHT

Section 80. When the Right of Appraisal May Be Exercised. - Any stockholder of a corporation shall have the right to dissent and demand payment of the fair value of the shares in the following instances:

(a) In case an amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;

(b) In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in this Code;

(c) In case of merger or consolidation; and

(d) In case of investment of corporate funds for any purpose other than the primary purpose of the corporation.

Section 81. How Right is Exercised. - The dissenting stockholder who votes against a proposed corporate action may exercise the right of appraisal by making a written demand on the corporation for the payment of the fair value of shares held within thirty (30) days from the date on which the vote was taken: Provided, that failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the

proposed corporate action is implemented, the corporation shall pay the stockholder, upon surrender of the certificate or certificates of stock representing the stockholder's shares, the fair value thereof as of the day before the vote was taken excluding any appreciation or depreciation in anticipation of such corporate action.

If, within sixty (60) days from the approval of the corporate action by the stockholders, the withdrawing stockholder and the corporation cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the stockholder, another by the corporation and the third by the two (2) thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the corporation within thirty (30) days after such award is made: Provided, that no payment shall be made to any dissenting stockholder or unless the corporation has unrestricted retained earnings in its books to cover such payment: Provided, further, that upon payment by the corporation of the agreed or awarded price, the stockholder shall forthwith transfer the shares to the corporation.

Section 82. Effect of Demand and Termination of Right. - From the time of demand for payment of the fair value of a stockholder's shares until either the abandonment of the corporate action involved or the purchase of the said shares by the corporation, all rights accruing to such shares, including voting and dividend rights, shall be suspended in accordance with the provisions of this Code, except the right of such stockholder to receive payment of the fair value thereof; Provided, That if the dissenting stockholder is not paid the value of the said shares within thirty (30) days after the award, the voting and dividend rights shall immediately be restored.

Section 83. When Right to Payment Ceases. - No demand for payment under this Title may be withdrawn unless the corporation consents thereto. If, however, such demand for payment is withdrawn with the consent of the corporation, or if the proposed corporate action is abandoned or rescinded by the corporation or disapproved by the Commission where such approval is necessary, or if the Commission determines that such stockholder is not entitled to the appraisal right, then the right of the stockholder to be paid the fair value of the shares shall cease, the status as the stockholder shall be restored, and all dividend distributions which would have accrued on the shares shall be paid to the stockholder.

Section 84. Who Bears Costs of Appraisal. - The costs and expenses of appraisal shall be borne by the corporation, unless the fair value ascertained by appraisers is approximately the same as the price which the corporation may have offered to pay the stockholder, in which case the corporation may have offered to pay the stockholder, in which case they shall be borne by the latter. In the case of an action to recover such fair value, all costs and expenses shall be assessed against the corporation, unless the refusal of the stockholder or receive payment was unjustified.

Section 85. Notation on Certificates; Rights of Transferee. - Within ten (10) days after demanding payment for shares held, a dissenting stockholder shall submit the certificates of stock representing the shares to the corporation for notation that such representing the shares to the corporation for notation that such shares are dissenting shares. Failure to do so shall, at the option of the corporation, terminate the rights under this Title. If shares represented by the certificates bearing such notation are transferred, and the certificates consequently cancelled, the rights of the transferor as a dissenting stockholder under this Title shall cease and the transferee shall have all the rights of a regular stockholder; and all dividend distributions which would have accrued on such shares shall be paid to the transferee."

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

No Director or Officer of the Club or any of their associates has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon during the Annual Stockholders' Meeting other than their election as Director for the year 2024-2025.

No Director has informed the Club, in writing or otherwise, that he intends to oppose any action to be taken by the Club at the Annual Stockholders' Meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

As of the Record Date, September 5, 2024, the Corporation has 4,709 outstanding shares, consisting of 3,128 Class A common shares, 889 Class B common shares, and 692 Class C common shares. Under the amended Articles of Incorporation and By-Laws of the Corporation, each registered owner of Class "A" Share, whether a natural person or juridical entity, who is of good standing and not delinquent in the payment of his dues, shall have the right to vote in person the number of shares standing in his/its name except with respect to the election of directors where the stockholders are entitled to cumulative voting. Each shareholder shall be entitled to one vote with respect to other matters to be taken up during the annual stockholders meeting. The Corporation has not solicited any discretionary authority to cumulate votes from its stockholders.

Cumulative Voting

The election of the Board of Directors for the current fiscal year will be taken up and all stockholders have the right to cumulate their votes in favor of their chosen nominees for Director in accordance with Section 23 of the Revised Corporation Code. Section 23 explains cumulative voting in its 5th paragraph as follows:

"In stock corporations, stockholders entitled to vote shall have the right to vote the number of shares of stock standing in their own names in the stock books of the corporation at the time fixed in the bylaws or where the bylaws are silent, at the time of the election. The said stockholder may: (a) vote such number of shares for as many persons as there are directors to be elected; (b) cumulate said shares and give one (1) candidate as many votes as the number of directors to be elected multiplied by the number of shares owned; or (c) distribute them on the same principle among as many candidates as may be seen fit: Provided, That the total number of votes cast shall not exceed the number of shares owned by the stockholders as shown in the books of the corporation multiplied by the whole number of directors to be elected: Provided, however, That no delinquent stock shall be voted. Unless otherwise provided in the articles of incorporation or in the bylaws, members of nonstock corporations may cast as many votes as there are trustees to be elected but may not cast more than one (1) vote for one (1) candidate. Nominees for directors or trustees receiving the highest number of votes shall be declared elected."

The Record Date fixed for the purpose of determining the stockholders entitled to notice of meeting and to vote during the Annual Stockholders' Meeting shall be September 5, 2024.

a) Security Ownership of Certain Record and Beneficial Owners

The following table sets forth as of September 5, 2024, the record owners and/or beneficial owners of more than 5% of the outstanding Common Shares of the Corporation and the amount of such record and/or beneficial ownership.

(1) Title of Class All Common	(2) Name, address of record owner and relationship with issuer	(3) Name of Beneficial Owner and Relationship with Record Owner	(4) Citizenship	(5) No. of Shares Held	(6) Percent
"A"	Sta. Lucia Realty & Development, Inc.	Same with record owner	Filipino	535 shares (inclusive of 3 Founder shares (R))	11.36%
"B"	G/F State Financing Building Ortigas Avenue, Mandaluyong City			201 shares (R)	4.27%
"C"	Affiliate of the issuer			148 shares (R)	3.14%
					----- 18.77%

"A"	Alsons Land Corporation Ground Floor Alsons Building 2286 Chino Roces Avenue, Makati City	Same with record owner	Filipino	293 shares (inclusive of 2 Founder shares (R)	6.20%
"B"				102 shares (R)	2.17%
"C"	Affiliate of the issuer			85 shares (R)	1.81%
					----- 10.19%

The shares under the name of Sta. Lucia Realty & Development Inc. shall be voted by Mr. Exequiel D. Robles and/or Mr. Vicente R. Santos and/or Ms. Mariza Santos-Tan. While the shares under the name of Alsons Land Corporation shall be voted by Mr. Tomas I. Alcantara or Mr. Miguel Rene A. Dominguez, or in their absence or upon their delegation, either Mr. Jose Antonio M. Hechanova, Atty. Jonathan F. Jimenez, or Atty. Vilma Hilda Villanueva-Fabella, subject to the existing provisions of the Articles of Incorporation and By-Laws on the voting rights of Founders Shares.

b) Security Ownership of Management

The table sets forth as of September 5, 2024, the record or beneficial stock ownership of each Director of the Corporation and all Officers and Directors as a group.

(1) Title of Class	(2) Name and beneficial owner	(3) Amount and nature of beneficial ownership	(4) Citizenship	(5) Percent of class
"A" Common	Tomas I. Alcantara	Php1,000 for 1 share (B)	Filipino	0.00%
"A" Common	Exequiel D. Robles	Php1,000 for 1 share (B)	Filipino	0.00%
"A" Common	Mariza Santos-Tan	Php1,000 for 1 share (B)	Filipino	0.08%
"A" Common	Vicente R. Santos	Php1,000 for 1 share (B)	Filipino	0.00%
"A" Common	Alfredo G. Pareja	Php1,000 for 1 share (B)	Filipino	0.00%
"A" Common "B"	Philip J. Chien	Php1,000 for 1 share (B)	Filipino	2.42% 0.25%
"A" Common	Miguel Rene Dominguez	Php1,000 for 1 share (B)	Filipino	0.00%
"A" Common	Benjamin R. Almario	Php1,000 for 1 share (B)	Filipino	0.00%
"A" Common	Ramil L. Villanueva	Php1,000 for 1 share (B)	Filipino	0.00%

There is no limit in the amount of shares with respect to the above-named person's right to acquire beneficial ownership, except that independent directors are not allowed to own more than 2% of the outstanding and issued shares. All the above-named Directors and Officers of the Corporation are the record and beneficial owners of the shares of stock set forth opposite their names.

Voting Trust Holders of 5% or more

The Corporation is not aware of any person holding more than 5% of the shares of the Corporation under a voting trust or similar agreement.

Changes in Control

From its incorporation to date there has been no change in control of the Corporation. Neither is the Corporation aware of any arrangement which may result in a change in control of it.

Item 5. Board of Directors and Executive Officers

a) Board of Directors and Executive Officers

The Company's Board of Directors is responsible for the overall management and direction of the Company. The Board meets regularly or as often as required, to review and monitor the Company's

financial position and operations. Each Board member serves for a term of one year or until his/ her successor is duly elected and qualified.

As provided in the Articles of Incorporation of the Club, the Board of Directors is composed of nine (9) members who shall serve for a term of one (1) year or until their successors shall have been duly elected and qualified.

The following are the names, ages, positions and the terms and length of service of the Directors and Executive Officers of the Club.

NAME	AGE	POSITION	CITIZENSHIP	Term of Service	Length of Service
Tomas I. Alcantara	78	Chairperson	Filipino	1 year	24 years
Exequiel D. Robles	69	Director/President	Filipino	1 year	27 years
Mariza Santos-Tan	66	Director/Corp Sec.	Filipino	1 year	27 years
Vicente R. Santos	67	Vice Chairman/Director	Filipino	1 year	27 years
Alfredo Pareja	70	Director	Filipino	1 year	10 years
Philip J. Chien	76	Director	Filipino	1 year	3 years
Miguel Rene A. Dominguez	47	Director	Filipino	1 year	2 years
Benjamin R. Almario	87	Independent Director	Filipino	1 year	22 years
Ramil L. Villanueva	55	Independent Director	Filipino	1 year	16 years
Editha I. Alcantara	76	Treasurer	Filipino	1 year	27 years
Atty. Jonathan F. Jimenez	59	Asst. Corp. Secretary	Filipino	1 year	2 years
Antonio Carlos S. Ocampo	58	General Manager	Filipino	7 years	7 years
Richard H. Banghero	31	Finance Manager	Filipino	Reg. Emp.	5 years

Profiles of Directors and Executive Officers

TOMAS I. ALCANTARA

Chairperson

Tomas I. Alcantara, 78, Filipino, has been the Chairman of the Corporation since July 01, 2000 and serves as such until the present time. He holds a Bachelor of Science degree in Economics from the Ateneo de Manila University, a Masters in Business Administration degree from Columbia University, USA, and he attended the Advance Management Program (AMP) of the Harvard Business School. He served as President of Alsons Consolidated Resources, Inc., and several power and property development companies of the Alcantara Group.

Mr. Alcantara served as Undersecretary for the Industry and Investments Group of the Department of Trade and Industry (DTI), Vice-Chairman and Managing Head of the Board of Investments (BOI) from July 1986 to March 1995 and Special Envoy of the Philippine President to the APEC in 1996.

He is the uncle of Mr. Miguel Rene A. Dominguez.

EXEQUIEL D. ROBLES

Director / President

Exequiel D. Robles, 69, Filipino, graduated from San Sebastian College with a degree in Bachelor of Science in Business Administration. He attended seminars on management conducted by Guthrie-Jensen Consultants, Inc. (1997) and Golf Asia International in Malaysia (1992).

He has been the President and General Manager of Sta. Lucia Realty & Development, Inc. for more than 30 years now. He is responsible for turning Sta. Lucia Realty into a well-respected real estate developer in the country today. He is also the President of nine (9) other affiliated companies of Sta. Lucia such as the Sta. Lucia East Cinema Corporation since December 1990, Sta. Lucia Waterworks Corporation since November 1990, Sta. Lucia East Commercial Corporation since February 1991, Sta. Lucia East Bowling Center, Inc. and Sta. Lucia East Department Store since October 1993, Valley View

Realty and Development Corporation since February 1983, RS Maintenance & Services, Inc. since July 1989, Rob-San East Trading Corporation since February 1991, and RS Night Hawk Security and Investigation Agency since March 1992.

He is the first cousin of Mr. Vicente R. Santos and Ms. Mariza Santos-Tan.

He has been a Member of the Board since 1997 and has served as the President of the Company since March 1998.

MARIZA SANTOS-TAN

Director/Corporate Secretary

Mariza Santos-Tan, 66, Filipino, earned a Management degree from San Sebastian College. She has been the Vice-President for Sales of Sta. Lucia Realty for more than 25 years. She is responsible for developing sales strategies for residential, commercial and golf development projects of the Sta. Lucia. She has been the head of the sales department of Valley View Realty and Development, Inc. since February 1983. She is also the Corporate Secretary of Sta. Lucia's affiliated companies which consist of Sta. Lucia East Cinema Corporation since December 1990, Sta. Lucia Waterworks Corporation since November 1990, Sta. Lucia East Commercial Corporation since February 1991, Sta. Lucia East Bowling Center, Inc. and Sta. Lucia East Department Store since October 1993, RS Maintenance & Services, Inc. since July 1989, Rob-San East Trading Corporation since February 1991, Treasurer of Sta. Lucia Land Inc. since 2009, and Vice Chairman of Manila Jockey Club since 2003

She is the sister of Mr. Vicente R. Santos and the first cousin of Mr. Exequiel D. Robles.

She has been a member of the Board and has served as its Corporate Secretary since 1997.

VICENTE R. SANTOS

Vice Chairman/Director

Vicente R. Santos, 67, Filipino, earned a Management degree from San Sebastian College. He is the Executive Vice-President of Sta. Lucia Realty Development Inc., for more than 25 years. He oversees the day-to-day operations of the Company and its projects. He is also Chairman of the Board of several affiliate companies of Sta. Lucia Land and a member of the Board of Directors of National Golf Association of the Philippines and the Federation of Private Golf Clubs. He has the Chairman of the Board of Orchard Golf & Country Club since 2006, the President of Acropolis North since 2003, and the Corporate Secretary of Lakewood Cabanatuan since 2005.

He is the first cousin of Mr. Exequiel D. Robles and the brother of Ms. Mariza Santos-Tan.

He has been a Member of the Board since 1997.

ALFREDO G. PAREJA

Director

Alfredo G. Pareja, 70, Filipino, holds a B.S. degree in Nursing from St. Anne's College of Nursing. He worked as Medical Officer in Philippine-Singapore Ports Corporation, Jeddah, KSA from November 1977 to 1980. He served as a Hospital Administrator at the same Institute from 1980 to 1983. He joined the U.S. Navy and became Medical Corpsman of the United States Marine Corps. He retired from the service in 2005. Further, he worked as Interviewer for the California Department of Social Services from 2005 to 2013.

He joined the Company as a Director on October 23, 2014.

PHILIP J. CHIEN

Director

Philip J. Chien, 76, Filipino, earned a Masters in Business Administration degree from University of the East and studied Senior Executive in National and International Security in Harvard Kennedy School. Mr Chien is currently the President & CEO of esteemed companies such as Global Satellite Technology Services Inc., G. Telecoms Inc., One Media Network Inc., and First Global Technopark.

Currently, he is also the Chairman & CEO of First Global Conglomerates, Inc.

Mr. Chien also holds executive positions in various organizations linked to government institutions such as Consul General in the Republic of Botswana, Commodore of the Philippine Coast Guard Auxiliary, Chairman of the Foreign Chamber Council of the Philippines, Inc., and Chairman Emeritus of the Taiwan Chamber of Commerce and Industry in the Philippines.

MIGUEL RENE A. DOMINGUEZ

Director

Miguel Rene A. Dominguez, Filipino, 47 years old, was appointed as President and CEO of Alsons Development and Investment Corporation and the Director of Corporate Strategy for Agribusiness Unit (ABU) of the Alcantara Group effective 1 July 2024. He is also a Director of Alsons Aquaculture Corporation, Sarangani Agricultural Co., Inc., and the Philippine Business for Social Progress. He served as Chairman of the Regional Peace and Order Council for Region 12 (2011-2013), Chairman of SOCSARGEN Area Development Board (2008-2011), and Chairman of Regional Development Council of Region 12 (2007-2010). Mr. Dominguez was named an awardee for Governance and Public Service in the Ten Outstanding Young Men for 2013 by the Junior Chamber International Philippines and the TOYM Foundation. He was the first awardee of the Jesse Robredo Leadership Award given the same year. He was governor of Sarangani province for three consecutive 3-year terms that began in 2004.

Prior to his election as governor, he was the National Sales and Marketing Manager of the Alsons Aquaculture Corporation in 2003, earning for the brand "Sarangani Bay" a strong hold in the international markets, particularly in the US, Japan and Europe. He envisioned Sarangani as the aquaculture center of the Philippines, organized the Chamber of Aquaculture and Ancillary Industries of Sarangani, Inc. (CHAINS), of which he became the first President in 2002. He started the Annual Aquaculture Exposition in Sarangani and pushed for the success of CHAINS' Grouper and Seabass Growership Project with the Sapu Padidu Small Fishermen Cooperative. He also became a Director of the Fisheries and Aquatic Board of the Philippines in 2002.

He earned his degree in AB Economics, minor in Rural Development, from Boston College in the US. He recently completed his Masters' Degree in Public Administration at the Harvard Kennedy School's Mason Fellows Program, and was honored as an Eisenhower Fellow.

He is the nephew of Mr. Tomas I. Alcantara

BENJAMIN R. ALMARIO

Independent Director

Benjamin R. Almario, 87, Filipino, had finished law at the Ateneo de Manila University in 1961. He was the Import-Export Manager of Alsons Cement Corporation from 1999 to 2001. He was responsible for the importation of clinker and cement manufactured by the plant that could not be sold in the domestic market. He was also the General Manager of Alsons International Inc. from 1992 to 1998. He was responsible for the sourcing, importation and profitable marketing of cement, clinker, and cement related products. He is also Chairman-Director of Kumassie Plantation Co., Inc. and an Independent Director of ACR Mining Corporation.

He joined the Company as an Independent Director in December 2002.

RAMIL L. VILLANUEVA

Independent Director

Ramil L. Villanueva, 55, Filipino, graduated from the Polytechnic University of the Philippines with a degree of Bachelor in Information Technology in 1992. He also attended several Leadership and Management programs such as the "Top Management Course on Corporate Entrepreneurship" at the Asian Institute of Management (AIM) and the "Program on Corporate Management for Southeast Asia" at the Association of Overseas Technical Scholarship (AOTS) in Nagoya, Japan.

Presently, he is a Director and the Vice President for Site Operations & External Relations at Advanced World Systems, Inc. (AWS). Mr. Villanueva also serves as a member of the Board of Directors of Advanced World Solutions, Inc., Alsons/AWS Information Systems, Inc. (AAISI), ACR Mining Corporation, and Alsons Insurance and Reinsurance Brokers Corporation.

Prior to his current position, Mr. Villanueva served as Vice-President for Operations of Alsons/AWS Information Systems, Inc. from March 1997 to March 2002.

He joined the Company as an Independent Director in October 2008.

EDITHA I. ALCANTARA

Treasurer

Editha I. Alcantara, 76, Filipino, has been the Treasurer of the Company since 2000. She also used to be a Director of the Company and the President of C. Alcantara and Sons, Inc. She has also served as Director in other companies of the Alcantara Group since 1980 and Treasurer since October 2000.

Ms. Alcantara has also been a Trustee of the Philippine Business for the Environment since July 1995, Board Trustee of Miriam College since December 1998, Adviser to the Board of Director of the Philippine Wood Producers Association, Director and Treasurer of Music Museum Group Inc. since May 1991, and of Allegro Resources, Inc. since May 1997. She holds a Business Administration degree from Maryknoll College and a Masters in Business Administration degree from Boston College.

She is the younger sister of Mr. Tomas I. Alcantara.

ATTY. JONATHAN F. JIMENEZ

Assistant Corporate Secretary

Atty. Jonathan F. Jimenez, 59, Filipino, was appointed as the Assistant Corporate Secretary of the Company on April 8, 2022. He is a member of the Philippine bar and a Juris Doctor (Law) graduate from the Ateneo de Manila University in 1992. Atty. Jimenez has a long-standing career of 23 years in the Alcantara Group. He first joined the Alcantara Group in October 1998 as Legal Counsel of Lima Land, Inc.. In October of 2013, he transferred to Alsons Land Corporation prior to moving to Conal Corporation in March 2014 as Legal Counsel. He now serves as the Corporate Secretary of the AlcantaraGroup's other companies.

ANTONIO CARLOS S. OCAMPO

General Manager

Mr. Antonio Carlos Ocampo, 58, Filipino, has been in the Golf industry for more than 20 years. He is a professional Rules Official and Tournament Director for the Asian PGA, Davidoff Tour, Omega Tour, Asian Tour, Asean PGA, One Asia and the Local Tour. He had handled more than 250 International and local professional golf events as a Tournament Director and Rules Official. He is an accredited Golf Course rater (USGA) and had also worked with IMG as the Tournament Director for Asia. He had managed hundreds of corporate and amateur golf events.

He is presently managing the Eagle Ridge Golf and Country Club (ERGCC) after his stint at Valley Golf and Country Club. His expertise in golf comes in handy to ensure that the Club's members enjoy excellent golf facilities and world class services.

RICHARD H. BANGHERO

Finance Manager

Mr. Richard Banghero, 31, Filipino, is a Certified Public Accountant and a graduate of Lyceum of the Philippines University – Cavite Campus (LPU- C) with a degree of Bachelor of Science in Accountancy. He started his career in November 2014 as Assurance Associate of Sycip Gorres Velayo & Company (SGV & Co.), where he stayed for almost two years. At the same time he was a part-time instructor of his Alma Mater, LPU – C, under the College of Business Administration where he taught Accounting and Tax subjects. On May 2016, he moved to Filinvest Alabang, Inc. where he worked as Budget and Finance Supervisor for three years.

He is presently the Finance Manager of Eagle Ridge Golf and Country Club (ERGCC) after joining the Company on February 4, 2019.

Elections of Directors

The Directors of the Company elected at the Annual Stockholders' Meeting are to hold office for one (1) year or until their respective successors have been duly elected and qualified. The Board of Directors has no reason to believe that any of the aforesaid nominees will be unwilling or unable to serve if elected as a director.

The following five (5) nominees to the Board of Directors - Messrs. Miguel Rene A. Dominguez, Exequiel D. Robles, Vicente R. Santos, and Marco Angelo C. Alcantara, and Madam Mariza Santos-Tan - were nominated to the Directorship for the upcoming Annual Stockholders Meeting by the Election Committee pursuant to Article VII, Section 2-C of the Amended By-Laws. The Members of the Election Committee are disqualified from running for any elective office.

The following is the official list of nominees for Board of Directors and Independent Directors:

NOMINEES	PERSONS NOMINATING
FOR REGULAR DIRECTORS:	
DOMINGUEZ, Miguel Rene A.	Almagro, Salvador R.
ALCANTARA, Marco Angelo C.	Quiogue, Carlitos P.
ROBLES, Exequiel D.	Celestino, Lauro C.
SANTOS, Vicente R.	Maghirang, Joselito V.
SANTOS-TAN, Mariza R.	Samonte, George G.
PAREJA, Alfredo G.	Del Rosario, Raymundo A.
CHIEN, Philip J.	Villanueva, Ramil L.
INDEPENDENT DIRECTORS:	
VILLANUEVA, Ramil L.	Chien, Philip J.
DE JESUS, Marcos Rustico D.	Alcantara, Editha I.

The write-up of the Nominees for the position of regular Board of Directors is as set forth in the foregoing section on the Board of Directors, while the write-up of Mr. Marco Angelo C. Alcantara is stated hereunder:

MARCO ANGELO C. ALCANTARA

Marco Angelo Camus Alcantara, 46, is a young and successful entrepreneur who has ventured across different industries. He graduated from the Clark University, Worcester, Massachusetts, USA with a Bachelor of Arts degree Major in Economics and Finance, in 2000. He earned his Masters in Business Administration (MBA), with concentration in finance, from the same university in 2001. He began his career as a Business Analyst at the Synapse Group in the US, before moving back to the Philippines where he took on various roles in the Alcantara Group, such as Officer-in-Charge at Alsons Steel Forming Division from 2005-2008, Corporate Planning Officer at Alsons Consolidated Resources from

2002-2018, General Manager of Alsons Insurance Brokers Corporation (now Alsons Insurance and Reinsurance Brokers Corporation) from 2007 up to present, Director of Mapalad Power Corporation, former Director of Sarangani Energy Corporation, etc. He was appointed as the President and Chief Executive Officer of Alsons Insurance and Reinsurance Brokerage Corporation (AIRBC), effective July 1, 2024.

Mr. Alcantara is also the President of 58 Florence Holdings Inc., Omotenashi International Inc., and Kuhn Artesanales Inc., which own and operate popular local dining establishments such as 121 Grille and Restaurant, LIT, Mesclun, and Chuck's Deli. He has held significant board positions in financial institutions such as Bankone Savings and Trust Corporation and Bancasia Finance Corporation. He also sits as a Director of AASI Solutions Inc. His proficiency in finance, expertise in insurance, and diverse experience would be invaluable and beneficial to the Club thus making him very qualified to be elected to the Board of Directors.

Mr. Alcantara is the nephew of Mr. Tomas I. Alcantara (Chairperson of the Board of Directors) and the cousin of Mr. Miguel Rene A. Dominguez (also a Director). He has 1 share in the Club.

The write-up of all nominees for Independent Directors and their respective background and qualifications, are also stated hereunder:

RAMIL L. VILLANUEVA

Ramil L. Villanueva, 55, Filipino, graduated from the Polytechnic University of the Philippines with a degree of Bachelor in Information Technology in 1992. He also attended several Leadership and Management programs such as the "Top Management Course on Corporate Entrepreneurship" at the Asian Institute of Management (AIM) and the "Program on Corporate Management for Southeast Asia" at the Association of Overseas Technical Scholarship (AOTS) in Nagoya, Japan.

Presently, he is a Director and the Vice President for Site Operations & External Relations at Advanced World Systems, Inc. (AWS). Mr. Villanueva also serves as a member of the Board of Directors of Advanced World Solutions, Inc., Alsons/AWS Information Systems, Inc. (AASI). He is also an Independent Director of ACR Mining Corporation and of Alsons Insurance and Reinsurance Brokers Corporation.

Prior to his current position, Mr. Villanueva served as Vice-President for Operations of Alsons/AWS Information Systems, Inc. from March 1997 to March 2002.

He joined the Company as an Independent Director in October 2008.

MARCOS RUSTICO D. DE JESUS

Marcos Rustico David De Jesus is currently a Senior Consultant under the Office of the President and CEO of the Maynilad Water Services, Inc. He has been with Maynilad Water Services, Inc. since 2010 holding various positions as Head of the Operations Strategy Division, Head of the Technical Services Division, Senior Technical Assistant to the President and CEO, among others. He also had experience in advertising, property management, and golf operations in his early career, highlighting his adaptability across various fields and showcasing his expertise. In fact, from January 1995 to December 2001, he used to be the Project Manager for the Eagle Ridge Project and a Member of the Management Committee overseeing the operations of the Eagle Ridge Golf and Country Club ("Club"). He was also the Operations Manager for Par 42 Mini Golf in Makati City, Philippines from January 1987 – February 1988.

Not only does Mr. De Jesus have a strong foundation in operations management, project implementation, and understanding of the sports of golf, he is also a man of integrity, independence, and honesty as proven by his unblemished reputation in the companies where he worked, especially in Maynilad Water Services, Inc. where he is due to retire next year. He will be bringing with him a lot of wisdom, capability, and skills if elected to the Board of Directors of the Club as an Independent

director. He holds a Bachelor of Science in Commerce, Major in Marketing Management, from the De La Salle University. He has 1 share in the Club.

Justification from the Board of Directors on the Re-nomination of the Independent Director

The Securities & Exchange Commission, in its Code of Corporate Governance, recommends that the Independent Directors of the Board of Directors of the Company serve for a maximum cumulative term of only nine (9) years reckoned from 2012. The same Code, however, states that if the Company wants to retain Independent Directors, the Board should provide meritorious justification, and seek shareholders' approval during the annual shareholders' meeting.

By October 24, 2024, the remaining Independent Director of the Board, Mr. Ramil L. Villanueva, would have served as Independent Director for more than nine (9) years since October of 2012. The other incumbent Independent Director, Mr. Benjamin R. Almario, will no longer run for re-election.

The Company seeks to retain Mr. Ramil L. Villanueva, as Independent Director, for the 2024-2025 term, and hereby provides meritorious justification for such retention. The Board will seek shareholders' approval of such retention at the Annual Stockholders' meeting on October 24, 2024.

Proposals

(A) From the Nomination and Election Committee

The Committee has opined that the justification for the retention of Mr. Villanueva as Independent Director for the 2024-2025 term is meritorious, and proposes that he be nominated for re-election to the Company's Board of Directors at the Annual Stockholders' Meeting on October 24, 2024.

(B) From the Board of Directors

The Board of Directors, without the participation of Mr. Villanueva who is member thereof, also proposed the retention and re-election of Mr. Villanueva as Independent Director for the 2024-2025 term.

The Board is prepared to present to the shareholders the following meritorious justification for the retention of the Mr. Villanueva as Independent Director at their Annual Stockholders' Meeting on October 24, 2024, to wit:

The skills and knowledge of Mr. Villanueva in the financial/ accounting/ information technology areas plus his familiarity with Club members, being an active golf player himself, helps the Board a lot in the decision-making process as he studies and analyzes issues diligently and thus, is able to contribute in understanding the matters presented to the Board.

The combination of the experience and knowledge Mr. Villanueva is advantageous to the Company, aside from supporting a good balance in the composition of the Board, and is consequently, beneficial to the shareholders. Mr. Villanueva has been a key member of the Board, and has proven himself as an exemplary and industrious Independent Director since he assumed office.

Nomination and Election of Independent Directors

In compliance with SRC Rule 38, which provides for the guidelines on the nomination and election of independent directors, a Nomination Committee was created with the following members:

1. Miguel Rene A. Dominguez - Director/ Committee Chairman
2. Vicente R. Santos - Director / Member
3. Mariza Santos-Tan - Director / Member

FAMILY RELATIONSHIPS OF DIRECTORS AND OFFICERS

Mr. Tomas I. Alcantara (Chairperson of the Board of Directors) is the uncle of Mr. Miguel Rene A. Dominguez (also a Director).

Mr. Exequiel D. Robles (President of ERGCCI) is the first cousin of the Corporate Secretary, Ms. Mariza Santos-Tan (also a Director) and Vice Chairman, Mr. Vicente R. Santos (also a Director).

PENDING LEGAL PROCEEDINGS

None of the Directors and Officers was involved in any bankruptcy proceedings as of September 5, 2024 and during the past six years. Neither have they been convicted by final judgment in any criminal proceedings or have been subject to any order, judgment or decree of competent jurisdiction, permanently or temporarily enjoining, barring, suspending, or otherwise limiting their involvement in any type of business, securities, commodities or banking activities, nor found in any action before any court or administrative bodies to have violated a securities or commodities law.

SIGNIFICANT EMPLOYEES

There are no persons other than the Executive Officers that are expected by the Company to make a significant contribution to the business.

CERTAIN RELATIONS AND RELATED TRANSACTIONS

In the normal conduct of business, aside from transactions disclosed in the Audited Financial Statements, the Company has not, in the last two (2) years, been a party to any transaction or proposed transaction, in which any Director, Executive Officer or nominee for election as a Director of the Club or any security holder owning 10% or more of the securities or any member of the immediate family of such persons, had a direct or indirect material interest.

The Club grants advances to joint venture partners. These advances earn interest at rates equivalent to or higher than the effective rates offered by a bank.

The Company has no parent company holding or controlling more than 50% of its outstanding capital stock. However, the following corporations separately own and control substantial shares in the Company: Sta. Lucia Realty & Development, Inc. -18.77%; Alsons Land Corporation - 10.20%; and Equitable PCIBank (now Banco de Oro) - 2.04%.

Other related party transactions are indicated in the Club's Audited Financial Statements for the year ended December 31, 2023 and in the Interim Financial Statements ending June 30, 2024.

DISAGREEMENT WITH DIRECTOR

None of the Club's Directors has resigned or declined to stand for re-election to the Board of Directors because of a disagreement with the Company or any matter relating to the Company operations, policies or practices.

Item 6. COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

The following is a summary of the aggregate compensation paid or accrued during the last two years, i.e. 2022 and 2023, as well as the compensation to be paid in the ensuing calendar year 2024 to the Club's General Manager and other Officers individually named below, and to all other Officers and Directors of the Club as a group:

Name of the other Officers/Designation:

1. Richard Banghero/Finance Manager
2. Whenna De Lara/Membership Manager

SUMMARY COMPENSATION TABLE

	YEAR	SALARY (Php)	BONUS (Php)
A. Chief Operating Officer			
Antonio Carlos Ocampo	2024 (Est.)	1,300,000.00	0.00
General Manager	2023	1,260,000.00	0.00
	2022	1,260,000.00	0.00
B. Three Most Highly Compensation Officer			
Richard Banghero	2024 (Est.)	480,000.00	0.00
Finance Manager	2023	450,000.00	0.00
	2022	450,000.00	0.00
Whenna De Lara	2024 (Est.)	420,000.00	0.00
Membership Manager	2023	400,000.00	0.00
	2022	400,000.00	0.00
C. All Other Officers and Directors			
As a group unnamed	2024 (Est.)	1,137,500.00	0.00
	2023	1,137,500.00	0.00
	2022	1,137,500.00	0.00

During the last three (3) years, 2022, 2023 and 2024, the Club has not paid any compensation to the Directors except a per diem of Php10,000.00 for every meeting of the Board attended by the Directors. Board Resolution No. 2000/1-04 also provides that the Board of Directors shall be given signing privilege in the amount of Php5,000.00 per month on food and beverage only and to bring one flight of players per month without the payment of green fees. Likewise, the incumbent members of the Board of Directors are exempted from the payment of monthly dues under the Board Resolution No. 2008/111-03.

Item 7. INDEPENDENT PUBLIC ACCOUNTANTS

Sycip, Gorres, Velayo and Co. (SGV), the Company's external auditor, will be nominated and recommended to the stockholders for reappointment as external auditor for the year 2024-2025. Representatives of the said firm will be present at the Annual Stockholders' Meeting to respond to appropriate questions or make a statement if they so desire.

There was no event where SGV and the Club had any disagreement with regard to any matter relating to accounting principles or practices, disclosures of financial statements or auditing scope or procedure.

In compliance with the Revised SRC Rule 68 (3) (b) (ix) on the Rotation of External Auditors, SGV complies with the provision on long association (including partner rotation) as prescribed in the Code of Ethics of Professional Accountants in the Philippines (the Code of Ethics). Under the Code of Ethics, the engagement partner (and any engagement quality reviewer or other key audit partner) shall not act in that role or a combination of such roles for a period of more than seven (7) years (time-on years). On the other hand, the Code of Ethics does not specifically prescribe a maximum number of time-on years relating to the long association provision. The Club engaged Mr. Juanito A. Fullecido (for the years 2010, 2011 and 2012), Roel E. Lucas (for year 2013 & 2014), Maria Pilar B. Hernandez (for years 2015, 2016 and 2017), Manolito R. Elle (for year 2018, 2019, 2020, 2021 and 2022), and Djole S. Garcia (for year 2023) for the examination of the Company's financial statement.

The Club has maintained SGV as its principal public accountant to audit the financial statements for the last fiscal year. SGV has not expressed any intention to resign as the Club's principal public accountant nor has it indicated any hesitance to accept re-election after the completion of their last audit.

The Members of the Audit Committee of the Club are as follows:

1. Miguel Rene A. Dominguez - Chairman
2. Ramil L. Villanueva - Member
3. Mariza Santos-Tan - Member

EXTERNAL AUDIT & AUDIT RELATED FEES

The fees billed for each of the last two (2) years for professional services rendered by SGV are as follows:

- (a) Audit of the registrant's annual financial statements or services that are normally provided by the external auditor in connection with the statutory and regulatory filings or engagements for the years ended December 31, 2022 and 2023 were Php400,000 and Php420,000 respectively.
- (b) No tax fees for the years ended December 31, 2022 and 2023 were billed.
- (c) No other fees were billed on the service rendered by SGV that falls under this category.

CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURES

There were no disagreements with the Company's principal accountants as to any matter of accounting principles or practices, financial statements' disclosure, or auditing scope or procedure.

Item 8. Compensation Plans

There is no action to be taken at the Annual Meeting of the Stockholders on October 24, 2024 with respect to any bonus, profit sharing or other compensation plan, contract or arrangement, and pension or retirement plan, in which any director, nominees for elections as a director, or executive officer of the Club will participate.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. Authorization or Issuance of Securities

There will be no action to be taken during the Annual Stockholders Meeting with respect to authorization or issuance of securities.

Item 10. Modification or Exchange of Securities

No action will be taken at the Annual Stockholders Meeting that will result in modification or exchange of securities.

Item 11. Financial and Other Information

The Company's Management's Discussion and Analysis or Plan of Operations and Financial Statements for the year ended December 31, 2023 are attached hereto as **Annexes "A"** and **"B"** respectively. Also attached is the Club's Interim Financial Statements as of and for the period ending June 30, 2024 for reference.

Item 12. No Actions to be Taken on Mergers, Consolidations, Acquisitions and Similar Matters

No action will be taken at the Annual Stockholders' Meeting with respect to any merger or consolidation involving the Company, the acquisition by the Company of another entity, on-going

business or of all the assets thereof, the sale or other transfer of all or any substantial part of the assets of the Company, or the liquidation or dissolution of the Company.

Item 13. No Action to be Taken on Acquisition or Disposition of Property

No action will be taken at the Annual Stockholders Meeting with respect to any acquisition or disposition of property by the Company requiring the approval of the stockholders.

Item 14. No Action to be Taken on Restatement of Accounts

No action will be taken at the Annual Stockholders Meeting with respect to any restatement of any asset, capital or surplus account of the Company.

D. OTHER MATTERS

Item 15. Actions with respect to Reports

Actions to be taken will constitute the reading and approval of the Minutes of October 19, 2023 Annual Stockholders Meeting, approval of the report for the year ending December 31, 2023 and ratification of all acts, proceedings and resolutions of the Board of Directors and Executive Committee and the acts of the Officers and Management. The Minutes of the Annual Stockholders' Meeting held on October 19, 2023 and the relevant resolutions approved by the Board of Directors for ratification of the stockholders are attached hereto as **Annexes "C" and "D"**.

The Management Report, which summarizes the acts of management for the year 2023, is included in the Club's Annual report to be sent to the stockholders together with this Information Statement and shall be submitted for approval of the stockholders at the said meeting. The approval of the Management Report will constitute approval and ratification of the acts of Management and the Board of Directors for the past year.

Item 16. Matters not required to be submitted

No action is to be taken with respect to any matter, which is not required to be submitted to a vote of the stockholder.

Item 17. Amendment of Charter, By-Laws or Other Documents

No action for the amendment of the Articles of incorporation and By-laws of the Club will be presented.

Item 18. Other Proposed Action

The following are the other matters to be taken during the Annual Stockholders' Meeting:

- a. Approval of the Audited Financial Statements of the Company for the calendar year ended December 31, 2023;
- b. General ratification of the acts and resolutions of the Board of Directors from September 20, 2023 to July 18, 2024; and
- c. Appointment of external auditors for calendar year ending December 31, 2024.

The above items are part of the agenda of the Annual Stockholders Meeting of the Company to be held on October 24, 2024. The Audited Financial Statements refer to financial operations, Balance Sheet and Income Statement of the Company for the calendar year ended December 31, 2023. The general ratification of the acts of the Board and management refer to the approval by the stockholders of the resolutions passed and the matter acted upon, as the case may be, by the Board and Management relating to the operations of the Club, manpower related decisions/approval and approval of reports.

Item 19. Voting Procedures

The Board of Directors of the Company authorized the conduct of the Hybrid Annual Stockholders' Meeting for 2024 to be held by Zoom Videoconferencing and by face-to-face or in-person meeting at the Club on 24 October 2024 during its Regular Board Meeting held on 9 May 2024.

Summary of Voting Matters and Voting Procedures

(a) Summary of Matters to be presented to Stockholders

The Annual Stockholders' Meeting of October 24, 2024 was called in order to seek Stockholders' ratification and approval of the Minutes of the October 19, 2023 Annual Stockholders Meeting, the President's Report for the year ending December 31, 2023, Acts of Management, Election of Directors, Appointment of External Auditors.

(b) Registration

Only shareholders as of September 5, 2024, the record date, will be recognized and allowed to attend, in person, by proxy, or by remote communication, and/or vote, in the Annual Stockholders Meeting. To validate the shareholders' identities, and ensure that only the legitimate shareholders of record, or their authorized representatives, can participate in the said Annual Stockholders Meeting, the shareholders of record who wish to attend the virtual meeting must email their request to attend to members.relation@eagle-ridge.com.ph not later than the close of business on 14 October, 2024. The Company will validate the requests, and the proxies, and email to the shareholders and proxy holders the instructions on how to access the hybrid meeting.

Before proceeding with the registration, the shareholders will be asked for their consent for the Company to process, release and retain their personal information and for a waiver of some data privacy rights. Only holders of Class A shares may vote in the election of the members of the Board of Directors. The shareholders will be asked to submit their votes not later than 10am on the day of the Hybrid Annual Stockholders Meeting, 24 October 2024, to allow sufficient time for the Company to tally their votes.

Shareholders attending this Hybrid Annual Stockholders Meeting who want to ask any question, make any motion, or present any resolution, should email to the Company their questions, motions, or resolutions not later than the close of business of 18 October 2024. After all the reports have been presented, the Officers will answer as many of the questions emailed to the Company as time will allow. The Officers will also address the proper motions and relevant resolutions, if time permits.

In case of any difficulty accessing the Hybrid Annual Stockholders Meeting during the registration, or at the Annual Stockholders Meeting itself, please contact technical support at +63920-908-0590. If you have questions that were not answered during the Hybrid Annual Stockholders Meeting, please feel free to reach out to our Membership Affairs Department at +63998-545-5106 or contact us by emailing members.relation@eagle-ridge.com.ph.

An audio archive of the Hybrid Annual Stockholders Meeting, including the Q&A session, will be available at the request of any attending shareholder within a few days after adjournment of the Hybrid Annual Stockholders Meeting.

(c) Voting Procedures

(1) Election of Board of Directors:

- (A) Each registered owner of Class "A" share, whether a natural person or juridical entity, who is of good standing/non-delinquent in the payment of his/its dues, shall have the right to vote the number of shares, standing in his/ its name. The nine (9) candidates with

the most number of votes shall be declared elected (Article VII, Section 3 (d) of Amended By-laws).

(B) Election Procedures

(1) **Preparation of Official Ballot.** The Election Committee shall order the printing or mimeographing of as many official ballots as there are outstanding certificates of stock ownership authorized to vote. The official ballots shall contain, in alphabetical order, the names of the candidates who have accepted their nomination, in accordance with Article VI, Section 2c. The said ballots shall be numbered consecutively and sent to each voting member in good standing at least 15 days before the Hybrid Annual Stockholders Meeting.

The notice of call shall state the date, the time, the place and the agenda to be taken in the meeting.

The Election Committee shall send out all ballots and election materials either by mail or special messenger or allow the members or their representative with written authority to pick up the ballots. It is incumbent upon the Election Committee to verify that the signatures in the authority to pick up ballots tally with the records of the Club. Anyone who has not received his ballot must personally attend on the day set for the election and upon his certification that he has not received the ballot, a replacement ballot will be issued.

(2) **Manner of Voting.** Each member authorized to vote, shall cast his vote by placing an (x) and affixing his signature opposite the name of each candidate he wishes to vote for and shall place his ballot inside a sealed envelope prior to the casting of the same by delivering it to the Club Secretary or dropping it in a ballot box prescribed for the purpose or by emailing a scanned copy to members.relation@eagle-ridge.com.ph not later than 10am of 24 October 2024.

(3) **Election Inspectors.** The Chairman of the meeting shall, at each annual meeting, appoint two persons to act as Inspectors of election at said meeting of members.

(4) **Canvassing.** Before the meeting closes, the Election Committee shall convene to canvass the election returns. Any protest regarding the conduct of the elections must be made before the start of the canvass. Any protest connected with the canvassing must be made before the proclamation of the winning candidates. Protests may be verbal but must be recorded by the Election Committee, which must forthwith make a ruling. In case of a tie, the Election Committee shall break the tie by a drawing of lots. (Article VII, Sec. 3(e) 1-4 Amended By-Laws)

(2) For all other acts and election of external auditors:

(A) Majority of the stockholders attending or represented in the meeting where quorum is present may transact business and approve resolutions. To constitute quorum to transact business, 20% of all shares must be present or represented. (Article VI, Section 7 and Article XVI, Section 1 of Amended By-Laws).

(d) **Vote required for approval/election**

The Amended By-Laws provide in Article VII, Section 1, that voting stockholders/ members for purposes of electing the members of the Board of Directors are entitled to vote nine (9) times and the first nine (9) nominees garnering the most number of votes shall be declared as the elected members of the Board of Directors. In the event that two (2) or more of the elected directors garnered identical number of votes, the tie shall be decided by secret ballot among the voting members.

(e) **Methods by which votes will be counted**

The Election Committee, with the assistance of the appointed Election inspectors, shall count the

official ballots manually and tabulate the votes in the presence of independent auditors, the Office of the Corporate Secretary, and the Membership Affairs Manager. They shall also tally the votes of the stockholders who submitted validated proxies for each item on the Agenda. After the Committee had completed the canvass of the ballots and had ruled on all the issues presented to it, the nine (9) candidates with the most number of votes shall be declared elected. Results of the voting by the stockholders will be announced for each item on the Agenda.

PART II
PROXY FORM
EAGLE RIDGE GOLF AND COUNTRY CLUB, INC.

Item 1. Identification

This Proxy is being solicited for and on behalf of the Management of the Corporation. The Vice-Chairman of the Board of Directors or, in his absence, the Chairman of the Meeting will vote the proxies at the Annual Meeting of the Stockholders to be held on October 24, 2024.

Item 2. Instructions

- (a) The Proxy must be duly accomplished by the stockholder of record as of Record Date. In case of a stockholder that is a corporation or a partnership, the proxy must be accomplished by the officer or agent that is duly authorized to do so by virtue of an appropriate corporate or partnership resolution.
- (b) Duly accomplished proxies may be emailed in an appropriate format to members.relation@eagle-ridge.com.ph, not later than the close of business on 10 October 2024, mailed or submitted personally to the Corporate Secretary of the Corporation not later than October 10, 2024, at the following address:

The Corporate Secretary
Eagle Ridge Golf and Country Club, Inc.
Barangay Javalera, General Trias, Cavite

- (c) In case of a Corporate Stockholder, the proxy must be accompanied by a Corporate Secretary's certificate quoting the board resolution authorizing the relevant corporate officer to execute the Proxy for the Corporate Stockholder.
- (d) In case of shares of stock owned jointly by two or more persons, the consent of all co-owners must be necessary for the execution of the Proxy. For persons owning shares in an "and/or" capacity, any one of them may execute the Proxy.
- (e) Validation of proxies will be conducted by the Corporate Secretary on October 16, 2024 at 5:00 p.m. at the principal office of the Corporation at Barangay Javalera, Gen. Trias, Cavite.
- (f) Unless otherwise indicated by the Stockholder, a Stockholder shall be deemed to have designated the Vice-Chairman of the Board of Directors, or in his absence, the Chairman of the Meeting, as his Proxy for the Annual Stockholders Meeting to be held on October 24, 2024.
- (g) If the number of shares of stock is left in blank, the Proxy shall be deemed to have been issued for all of the Stockholder's shares of stock in the Corporation as of Record Date.
- (h) The manner in which this Proxy shall be accomplished, as well as the validation hereof shall be governed by the provisions of SRC Rule 20 (11)(b)

- (i) The Stockholder executing the proxy shall indicate the manner by which he wishes the Proxy to vote on the matter below by checking the appropriate box. Where the boxes (or any of them) are unchecked, the Stockholder executing the Proxy is deemed to have authorized the Proxy to vote for the matter.

The Undersigned hereby appoints:

- (a) Vicente R. Santos, the Vice-Chairman of the Board of Directors of Eagle Ridge Golf and Country Club, Inc. or in his absence, the Chairman of the Meeting, or in their absence,
- (b) _____ as his/her/its Proxy to attend the above annual meeting of the stockholders of Eagle Ridge Golf and Country Club, Inc. and any adjournment or postponement thereof, and thereat to vote all shares of stock held by the undersigned as specified below and on any matter that may properly come before said meeting.

Item 3. Revocability of Proxy

Any Stockholder who executes the proxy enclosed with this statement may revoke it at any time before it is exercised. The Proxy may be revoked by the stockholder executing the same at any time by submitting to the Corporate Secretary a written notice of revocation not later than the start of the meeting, or by attending the meeting in person and signifying his intention to personally vote his shares. Shares represented by an unrevoked Proxy will be voted as authorized by the Stockholder.

Item 4. Persons Making the Solicitation

The solicitation is made by the Management of the Corporation. No Director of the Corporation has informed the Corporation in writing that he intends to oppose an action intended to be taken up by the Management of the Corporation at the Annual Stockholders Meeting. Solicitation of proxies shall be made through the use of mail, courier, personal solicitation, etc. The Corporation will shoulder the cost of solicitation.

Item 5. Interest of Certain Persons in Matters to be Acted Upon

No Director, Officer, or Associate of any of the foregoing, has any substantial interest, direct or indirect, by security holdings or otherwise, on the matter to be acted upon at the Annual Stockholders' Meeting to be held on October 24, 2024.

**RULES AND REGULATIONS GOVERNING THE CONDUCT
OF THE ANNUAL STOCKHOLDERS' MEETING AND
ELECTION OF DIRECTORS OF
EAGLE RIDGE GOLF & COUNTRY CLUB, INC.**

I. COMPOSITION OF THE COMMITTEE

1. The Election Committee (the "Committee") shall be composed of:
- | | | |
|---------------------------|---|---------------|
| Mr. Carlito P. Quiogue | - | Chairman |
| Mr. Lauro L. Celestino | - | Vice Chairman |
| Mr. Salvador R. Almagro | - | Member |
| Mr. George G. Samonte | - | Member |
| Mr. Joselito V. Maghirang | - | Member |

II. ACTIONS OF THE COMMITTEE

1. The powers granted to the Committee may be exercised by it only as a collegial body and no individual member thereof is vested with such powers.
2. A majority of the Committee shall constitute a quorum to transact business. The acts and decisions of the Committee shall be taken only upon a majority vote of those constituting a quorum.

III. POWERS AND FUNCTIONS OF THE COMMITTEE

1. The Committee shall have the following powers and functions:
 - a. Oversee the conduct of the election of Directors and to act on all matters that will ensure the orderly conduct of the election and proclamation of winners;
 - b. Coordinate with the Secretariat and cause the preparation of a list of eligible voters and post the same at the Clubhouse Bulletin Board;
 - c. Nominate five (5) candidates for Directorship 1 (Section 3 (c), Article VII of By-Laws);
 - d. Call for and accept nominations in writing for directorship from all Regular members-stockholders entitled to vote (Section 2 (c), Article VII);
 - e. Finalize the Official List of Candidates and post the same at the Clubhouse Bulletin Board at least thirty (30) days before the elections (Section 2 (c), Article VII);
 - f. Ensure that the Official List of Candidates is attached to the Notice of Annual Stockholders' Meeting;
 - g. Order the printing or mimeographing of as many Numbered Official Ballots as there are outstanding certificates of ownership (Section 2 (e)(1), Article VII);
 - h. Ensure that the Official Ballots shall be sent to all members-stockholders at least fifteen (15) business days before the election (Section 2 (e) (1), Article VII);
 - i. Coordinate with the Secretariat and cause the posting of a notice at the Clubhouse Bulletin Board to the effect that:

"Anyone who has not received his ballot must personally attend on the day set for election and upon his certification that he has not received his ballot, a replacement ballot shall be issued." (Section 2 (e)(1), Article VII);
 - j. Collect, tally and canvass the ballots;
 - k. Decide on all contests relative to the collection, tallying and canvassing of ballots;
 - l. Cause the proclamation of the nine (9) candidates receiving the highest number of votes as the duly elected members of the Board of Directors; and
 - m. Such other powers and functions as the Board of Directors may confer upon it.

IV. ELIGIBILITY TO VOTE

1. Each registered owner of a share of stock, whether a natural person or juridical entity, who is of good standing and non-delinquent in the payment of his/its dues, shall have the right to vote in person or by proxy the number of shares standing in his/its name. (Section 2 (d), Article VII). However, in the election of Directors, only holders of Class A shares are entitled to vote and be voted upon.
2. Only bona fide individual regular members and nominees of juridical entities who are of good standing shall have the right to vote. (Section 2 (d), Article VII);
3. Regular members are natural persons who are registered owners of shares of stock, the duly designated nominees of juridical entities in whose names Class A shares have been issued and who shall be a director, an executive officer or a bonafide employee of such juridical entity, and the duly designated assignees of juridical entities in whose names Class A shares have been issued. (Section 2 (a), Article II)
4. Pursuant to the foregoing provisions, the following qualifications are required for eligibility:

¹ Unless otherwise specified, all references are to the By-Laws of the Club.

- a. One must be a registered owner of at least one (1) Class "A" share of stock or a nominee of holders of Corporate "A" Shares; (Section 2 (d), Article VII, Sec. 2 (a), Article II, Amended By-Laws)
 - b. In case of juridical entity, a Board Resolution appointing the nominee of such juridical entity must be submitted to the Corporate Secretary at least ten (10) days before the Stockholders' Meeting;
 - c. The Stockholder must be in good standing; (Section 2(d), Article VII)
 - d. The Stockholder must not be delinquent in the payment of his/its dues; and/or payment on subscription of share (Section 2(d), Article VII)
 - e. In case of Proxies, a duly accomplished proxy instrument with supporting documents must be submitted to the Corporate Secretary at least ten (10) days before the Stockholders Meeting.
5. In addition to the foregoing, the following guidelines shall be followed in determining whether a member may vote and be voted upon in the election of directors:
- a. Assignees Members cannot vote and run for office; (Section 2(b), Article II)
 - b. Assignors – Stockholders of Individual Class "A" Shares can vote but cannot run for office;
 - c. Each owner of Class "A" share whether a natural person or juridical entity, who is of good standing and non-delinquent in the payment of his/its dues, shall have the right to vote the number of shares standing in his/ its name. (Sec 2(d), Art. VII);
 - d. A candidate for Director must own at least 1 Class A share in his name in the books of the Club, and must be a Regular Member in good standing.
 - e. In the case of a Corporate Nominee of a juridical entity, such juridical entity must own 111 its own right at least one (1) share of the capital stock of the Club, which share stand in its name in the books of the Club. Corporate Assignees shall in no case be elected to the Board of Directors (Sec. 2(b), Art. VII)
6. Each qualified share of stock shall be entitled to one (1) vote per share except in the election of directors were cumulative voting is allowed. (Section 1, Article VII)
7. The eligibility or non-eligibility of a Stockholder to vote at the Annual Stockholders' Meeting shall be determined by the Election Committee at least ten (10) days before the Stockholders' meeting.
8. To properly inform all Stockholders of their eligibility (or ineligibility), the Committee, in coordination with the Secretariat, shall post an Official List of Eligible Voters at the Clubhouse Bulletin Board.

V. NOMINATIONS FOR DIRECTORSHIP

1. Under Sections 1-2, Article VII of the By-Laws, the following are the qualifications for directorship:
 - a. The Candidate must own in his/her own name at least one (1) Class "A" share of the capital stock of the Club or a nominee of holder/s of Corporate "A" shares;
 - b. The Candidate must be a regular member of the Club;
 - c. The Candidate must have been duly nominated;
 - d. The Candidate must have accepted such nomination;
 - e. The Candidate must be in good standing; and
 - f. The Candidate must not be delinquent in the payment of his dues.
 - g. In the case of Independent Directors, they must have all the qualifications and none of the disqualifications as prescribed in the Club's Manual on Corporate Governance, SEC Code of Corporate Governance, Securities Regulation Code and its Implementing Rules and Regulations.

2. Section 2 (c), Article VII of the Amended By-laws, the Election Committee shall nominate five (5) Regular Members or candidates for election. Accordingly, the members of the Committee have nominated the following for directorship:
 - a. Marco Angelo C. Alcantara
 - b. Exequiel D. Robles
 - c. Vicente R. Santos
 - d. Mariza R. Santos- Tan
 - e. Miguel Rene A. Dominquez
3. The Committee shall call for and accept nominations in writing from regular members; provided, however, that the members of the Committee may not themselves be nominated (Section 2 (c), Article VII). The Membership Affairs Office thru the Election Committee shall likewise send to all member stockholders separate notices asking for nominations for directorship with the following return address:

EAGLE RIDGE GOLF & COUNTRY CLUB, INC
Membership Relations Office
Brgy Javalera, General Trias, Cavite
4. The said notices shall be sent to all Members-Stockholders on or before August 6, 2024.
5. The said notices shall state:
 - a. That the Election Committee is accepting nominations of candidates for directorship (with a sample nomination form enclosed);
 - b. The qualifications of Candidates for Directorship;
 - c. The deadline for the submission of nominations, which shall be on August 15, 2024 at 5 o'clock in the afternoon;
 - d. The qualifications of a member to be able to vote at the Annual Stockholder's Meeting;
 - e. The deadline for payment of delinquencies to qualify a delinquent member to vote at the Annual Stockholder's Meeting, which shall be on October 16, 2024 at 5 o'clock in the afternoon;
 - f. The deadline for submission of Proxies, which shall be on October 10, 2024, at 5 o'clock in the afternoon. However, for the purpose of election of Directors, the attendance of Proxies of corporate Class "A" shareholders shall be considered attendance in person.
6. The Committee shall post the Official List of Candidates at the Clubhouse bulletin board at least thirty (30) days before the Annual Stockholders' Meeting.
7. The Committee, together with the Secretariat, shall likewise ensure that the Official List of Candidates is sent to all Members-Stockholders together with the Notice of the Annual Stockholders' Meeting.

VI. BALLOTS

1. It is the responsibility of the Committee to order the printing and mimeographing of as many Numbered Official Ballots as there are outstanding Class "A" shares authorized to vote. Each outstanding Class "A" share entitled to vote shall be entitled to one (1) ballot. (Section 2 (e), Article VII)
2. Section 2 (e), Article VII of the By-Laws prescribes the following requirements in the preparation and printing of the Official Ballots:
 - a. The Official Ballot shall contain, in alphabetical order, the names of the Official Candidates;
 - b. The Official Ballots shall be numbered consecutively, bear the signature of the Chairman of the Election Committee, and sent to all eligible voters at least 15 days before the Annual Stockholders Meeting; and

- c. The Official Ballot together with the proxy form shall be sent out by mail or special messenger.
3. Only Official Ballots prepared, issued and countersigned by the Election Committee Chairman shall be recognized for purposes of the election.
4. The Election Committee shall likewise post the following notice at the Clubhouse Bulletin Board:

“Anyone who has not received his ballot must personally attend on the day set for the election and upon his certification that he has not received his ballot, a replacement ballot shall be issued.”

VII. PROXIES

1. The following guidelines shall be observed:
 - a. The Proxy instrument shall indicate how the proxy shall vote on important matters in the agenda (Section 6, Article VI)
 - b. The Proxy instrument shall provide a space where the member giving a proxy shall indicate his choice of the affirmative or negative vote on any question (Section 6, Article VI)
 - c. The Proxy instrument shall be in writing (Section 57, Revised Corporation Code);
 - d. The Proxy instrument shall be signed by the stockholder (Section 57, Revised Corporation Code);
 - e. The Proxy instrument shall be submitted to the Corporate Secretary on or before the deadline for the submission of proxy instruments, which shall be on October 10, 2024, at 5 o'clock in the afternoon;
 - f. The Proxy instrument may or may not be notarized except in the case of a juridical entity whose nominee shall be designated in an appropriate sworn / notarized Secretary's Certificate; provided, that the nominee of such juridical entity may, in said Secretary's Certificate, be authorized to appoint a proxy.
 - g. The Proxy instrument may be executed independently of the Official Ballot.
 - h. The Proxy instrument shall, as far as practicable, substantially comply with the other requirements set forth in the By-Laws.
2. Furthermore, the Election Committee shall assist in sending out notices to all stockholders, at least fifteen (15) business days before the Annual Stockholders' Meeting, informing them of the following:
 - a. The requirements for a valid Proxy (with a sample proxy instrument enclosed);
 - b. The deadline for the submission of proxy instruments shall be on October 10, 2024, at 5 o'clock in the afternoon;
 - c. Copies of the Notice of the Annual Stockholders Meeting, Agenda of the meeting, management report, definitive information statement, audited financial statement, minutes of the previous meeting, board resolution form and official ballot form.
 - d. A copy of the Official List of Candidates shall be enclosed with the notices.
3. The following SEC guidelines shall be observed unless otherwise provided in the By-Laws:
 - a. The Corporate By-Laws shall be controlling in determining the proper procedure to be followed in the execution and acceptance of proxies, provided that the minimum required formalities prescribed under Section 57 of the Revised Corporation Code and SRC Rule 20.5 shall be complied with.
 - b. The Notice of Stockholders' Meeting shall also set the date, time and place for the validation proxies, which in no case shall be less than five (5) days prior to the Annual Stockholders' Meeting to be held. The presence of any stockholder who may wish to be present in person or through counsel shall be allowed.
 - c. Failure to affix documentary stamps shall not affect the validity of the proxy. The only adverse effect of such failure is that the same cannot be recorded as a

- public document and cannot be admitted or used as evidence in Court until the required documentary stamp is affixed and cancelled.
- d. Unless required by the Corporate By-Laws, a proxy need not be notarized.
 - e. If the name of the proxy is left in blank, the person to whom it is given or the issuer corporation receiving the proxy is at liberty to fill in any name he/it chooses.
 - f. If a duly accomplished and executed Proxy is undated, the postmark or, if not mailed, its actual date of presentation shall be considered.
 - g. A Proxy executed by a corporation shall be in the form of a board resolution duly certified by the corporate secretary or in a Proxy form executed by a duly authorized Corporate Officer accompanied by a Corporate Secretary's Certificate quoting the board resolution authorizing the said Corporate Officer to execute the said Proxy.
 - h. If the By-Laws provide for a cut-off date for the submission of Proxies the same should be strictly followed. In the same absence of a provision in the By-Laws fixing a deadline, Proxies shall be submitted not later than ten (10) days prior to the date of the stockholders meeting.
 - i. Where the Corporation receives more than one (1) proxy from the same Stockholder and they are all undated, the postmarks dates shall be considered. If the Proxies are mailed on the same date, the one bearing the latest time of day of postmark is counted. If the Proxies are not mailed, then the time of their actual presentation is considered, in that which is presented last will be recognized.
 - j. Where a Proxy is given to two (2) or more persons in the alternative in one instrument, the Proxy designated as an alternate can only act as Proxy in the event of non-attendance of the other designated person.
 - k. Where the same Stockholder gives two (2) or more Proxies, the latest one given is to be deemed to revoke all former Proxies.
 - l. A Proxy shall be valid only for the meeting for which it is intended. No proxy shall be valid and effective for a period longer than five (5) years from the date of the proxy.
 - m. Executors, administrators, receivers and other legal representatives duly appointed by the court may attend and vote on behalf of the Stockholders without a need of any written Proxy.
 - n. If the stockholder intends to designate several Proxies, the number of shares of stock to be represented by each Proxy shall be specifically indicated in then proxy form. If some of the Proxy forms do not indicate the number of shares, the total shareholdings of the Stockholder shall be tallied and the balance thereof, if any, shall be allotted to the holder of the proxy form without the number of shares. If all are in blank, the stocks shall be distributed equally among the Proxies. The number of persons to be designated as Proxies may be limited by the By-Laws.
 - o. In case of shares of stock owned jointly by two (2) or more persons, the consent of all co-owners shall be necessary to appoint or revoke a Proxy.
 - p. For persons owning shares in an "and/or" capacity, any one of them may appoint and revoke a Proxy.
 - q. Proxies executed abroad shall be duly authenticated by the Philippine Embassy or Consular Office.
 - r. No member of Stock Exchange and no broker/dealer shall give any Proxy, consent or authorization, in respect of any security carried for the account of a customer to a person other than the customer, without the express written authorization of such customer. The Proxy executed by the broker shall be accompanied by a certification under oath stating that before the Proxy was given to the broker, he had duly obtained the written consent of the persons in whose account the shares are held.
 - s. A Proxy shall not be invalidated of the ground that the stockholder who executed the same has no signature card on file with the Corporate Secretary or Transfer Agent, unless it can be shown that he/she had refused to submit the signature card despite written demand to that effect duly received by the said Stockholder at least ten (10) days before the Annual Stockholders' Meeting and election.
 - t. There shall be a presumption of regularity in the executions of Proxies and shall be accepted if they have the appearance of prima facie authenticity in the absence of timely and valid challenge.

- u. In the validation of Proxies, a special Committee of inspectors shall be designated or appointed by the Board of Directors, which shall be empowered to pass on the validity of proxies. Any dispute that may arise pertaining thereto, shall be resolved by the Securities and Exchange Commission upon formal complaint filed by the aggrieved party, or the SEC officer supervising the proxy validation process,
- v. All issues relative to Proxies including their validation shall be resolved prior to the canvassing of votes for purposes of determining a quorum.
- w. All shares which are subject of a case where ownership is at issue, shall be set aside for purposes of proxy validation unless there is a court appointed representative who shall then vote on said shares.
- x. Any violation of this Rule on Proxy shall be subject to the administrative sanctions provided for under the Revised Corporation Code & Section 54 of the Securities Regulation Code, and shall render the proceedings null & void.

VIII. INSPECTORS OF ELECTION

1. The Chairman of the Annual Stockholders' Meeting shall appoint two (2) persons to act as Inspectors of Election. (Section 2 (e) (3), Article VII)
2. The Inspectors of Election shall assist the Corporate Secretary and the Election Committee to ensure the orderly conduct of election.
3. The Board of Directors may likewise engage the services of an Independent Auditor to assist in the canvassing of votes.

IX. MANNER OF VOTING AND CANVASSING OF BALLOTS

1. The members of the Board of Directors shall be elected by secret ballot. (Section 2 (d), Article VII)
2. The vote for election of a Candidate shall be made by placing an "x" or similar mark and affixing the voter's signature opposite the name of each candidate. (Section 2 (e) (2), Article VII)
3. The member shall place his ballot inside a sealed envelope (Sec. 2(e) (2) Article VII) and deliver the same to the Corporate Secretary on or before the date of the meeting, or drop the same in a ballot box prescribed for the purpose or by emailing a scanned copy to members.relation@eagle-ridge.com.ph not later than 10am on 24 October, 2024. The sealed envelopes shall be opened only after the Committee has convened to count the votes/ ballots in the presence of the Inspectors of Election, on 24 October, 2024 at 10:00AM.
4. Upon the closing of the meeting, the Committee shall convene to canvass the election returns. (Section 2 (e) (4), Article VII).
5. Any protest regarding the conduct of the election must be made before the start of the canvass. (Section 2 (e) (4), Article VII).
6. Any protest connected with the canvassing must be made before the proclamation of the winning candidates. (Section 3 (e) (4), Article VII).
7. Protests may be made verbally but must be recorded by the Election Committee, which must forthwith issue a ruling.
8. Protests made beyond the period provided herein shall not be entertained by the Committee. All irregularities not raised during the proper period shall be deemed waived.
9. After the Committee has completed the canvass of the ballots and has ruled on all the issues presented to it, the nine (9) candidates with the most number of votes shall be declared elected. (Section 2 (d), Article VII)
10. In case of a tie, the Committee shall break the tie by a drawing of lots. (Section 2 (e) (4), Article VII)

X. APPRECIATION OF BALLOTS

1. Cumulative voting shall be allowed.
2. There shall be nine (9) seats of the Board of Directors. Each share shall be entitled to nine (9) votes. Each shall have the option of cumulating his votes in favor of the candidate or candidates he has chosen.
3. Only the votes cast in favor of those candidates whose names appear in the official ballot shall be tabulated and counted.
4. Only ballots with the usual or customary signature of the stockholder shall be counted. Except in the case of a valid proxy, ballots which do not bear the usual or customary signature of the stockholder concerned shall be invalidated.
5. Appropriate marking on the space provided before the name of the candidate must be made in the Official Ballot.
6. If a Stockholder votes for one (1) candidate only and the number of corresponding votes was not indicated, nine (9) votes shall be credited to said candidate.
7. If a Stockholder votes for one (1) candidate only and the number of corresponding votes indicated exceeds nine (9), only nine (9) votes will be credited in favor of said candidate.
8. If a Stockholder votes for one (1) candidate only and the number of corresponding votes indicated does not exceed nine (9), said candidate shall be credited with such number of votes indicated.
9. If a Stockholder votes for exactly nine (9) candidates, each chosen candidate shall be credited with one (1) vote.
10. If a Stockholder votes for more than nine (9) candidates, the ballot shall be invalidated and no vote shall be counted in favor of any candidate.
11. If a Stockholder votes for more than one (1) candidate and the number of corresponding votes is not indicated, each chosen candidate shall be credited with one (1) vote.
12. If a Stockholder votes for more than one (1) candidate and the number of corresponding votes indicated does not exceed (9), each chosen candidate shall be credited with such number of votes indicated.
13. If a Stockholder votes for more than one (1) candidate and the number of votes allocated to the chosen candidates exceeds nine (9), each chosen candidate shall be credited with one (1) vote only.

**PART III
SIGNATURE**

Management does not intend to bring any other matter before the meeting other than those set forth in the Notice of the Annual Meeting of Stockholders and does not know of any matters to be brought before the meeting by others. If any other matter does come before the meeting, it is the intention of the persons named in the accompanying proxy to vote the proxy in accordance with their judgment.

ACCOMPANYING THIS INFORMATION STATEMENT IS A COPY OF THE NOTICE OF THE ANNUAL STOCKHOLDERS' MEETING CONTAINING THE AGENDA THEREOF.

UPON THE WRITTEN REQUEST OF A STOCKHOLDER, THE CORPORATION WILL PROVIDE, WITHOUT CHARGE, A COPY OF THE CORPORATION'S ANNUAL REPORT IN SEC FORM 17-A AND THE CORPORATION'S LATEST QUARTERLY REPORT IN SEC FORM 17-Q DULY FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. THE STOCKHOLDER MAY BE CHARGED A REASONABLE COST FOR PHOTOCOPYING THE EXHIBITS.

ALL REQUESTS MAY BE SENT TO THE FOLLOWING:

**Eagle Ridge Golf and Country Club, Inc.
Barangay Javalera
Gen. Trias, Cavite**

**Attention: Ms. Mariza Santos-Tan
Corporate Secretary**

After reasonable inquiry and to be the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Mandaluyong on September 10, 2024.

EAGLE RIDGE GOLF AND COUNTRY CLUB, INC.
Issuer

By :



MARIZA SANTOS-TAN
Corporate Secretary

EAGLE RIDGE GOLF AND COUNTRY CLUB, INC.
Notice of the Annual Meeting of the Stockholders

To All Stockholders:

Please be notified that the annual meeting of the stockholders of **Eagle Ridge Golf and Country Club, Inc.** (the "Company") will be held on **Thursday, 24 October 2024, at 2:00 p.m.** The meeting will be hybrid or conducted via **Zoom videoconferencing and simultaneously by face-to-face** or in-person meeting at the Club for those who do not have access to the internet or to a computer. The Zoom link will be provided by the Company to all stockholders of record as of 5 September 2024, or to their proxy holders, who will duly register to attend the meeting. As required by the Securities & Exchange Commission, the "place" of the meeting will be the Main Clubhouse, Eagle Ridge Golf & Country Club, General Trias City, Cavite, and the agenda of the meeting is as follows:

1. Call to Order;
2. Certification of Notice and Quorum;
3. Approval of the Minutes of the Annual Meeting of the Stockholders held on 19 October 2023;
4. Approval of the Annual Report, and the 2023 Audited Financial Statements;
5. Ratification of Acts of the Board and Management;
6. Appointment of External Auditors;
7. Election of Directors (including Independent Directors);
8. Other business that may properly be brought before the Meeting; and
9. Adjournment

Attached to this Notice, as Annex "A", is a brief statement of the rationale and explanation for each item in the agenda that requires the stockholders' approval. The Information Statement contains more detail regarding the rationale and explanation for each such item.

The electronic copy of the said Information Statement, Management Report, Annual Report and other documents pertinent to the meeting, are available at the Company's website at <http://www.eagle-ridge.com.ph>. Stockholders may also request the undersigned in writing for a hard copy of the same. Upon receipt thereof, the Company will provide the requesting stockholder with a hard copy of the Information Statement.

Only stockholders of record as of 5 September 2024, or proxy holders of such stockholders, are entitled to attend the meeting, and only stockholders with Class A shares are entitled to vote at the meeting.

Stockholders who wish to attend the hybrid meeting must email members.relation@eagle-ridge.com.ph their request to attend the meeting not later than the close of business on **14 October 2024**. Stockholders who wish to be represented at the hybrid meeting by proxy can either: (a) submit an originally signed and accomplished proxy (a form for which is attached herewith as Annex "B") by post or courier to the Office of the Corporate Secretary at the Main Clubhouse, Eagle Ridge Golf & Country Club, General Trias City, Cavite; or (b) email a copy of the said proxy in an appropriate format to members.relation@eagle-ridge.com.ph, not later than the close of business on **10 October 2024**. The Company will validate the requests for registration and the proxies on 16 October 2024, and email to the duly registered stockholders and proxy holders the instructions on how to access the hybrid meeting.

Pasig City, 21 August 2024.


MARIZA S. TAN
Corporate Secretary

Annex "A" to Notice
EXPLANATION AND RATIONALE FOR THE AGENDA
2024 Annual Stockholders Meeting

1. Call to Order

The Chairman of the Board of Directors, Mr. Tomas I. Alcantara, will formally call the 2024 Annual Stockholders Meeting to order, and introduce the Directors and Officers attending the Meeting.

2. Certification of Notice and Quorum

The Corporate Secretary, Ms. Mariza S. Tan, will certify that the Corporation timely and duly notified the stockholders pursuant to the rules of the Securities & Exchange Commission ("SEC"), made the Information Statement available to all stockholders, and attest to a quorum for the Meeting.

3. Approval of the Minutes of the Annual Meeting of the Stockholders held on 19 October 2023

Copies of the draft minutes have been made available to the stockholders on the Company's website at <http://www.eagle-ridge.com.ph>. The Chairman will ask the stockholders to approve the draft minutes, and adopt the following resolution:

"RESOLVED, That the minutes of the Annual Meeting of the Stockholders of Eagle Ridge Golf and Country Club, Inc., held on 19 October 2023, be, as they are hereby, approved."

4. Annual Report and the 2023 Audited Financial Statements

Management will present its Report, and the Audited Financial Statements for 2023, which were audited by the Company's independent external auditors, SyCip Gorres Velayo & Company (SGV), and approved by the Board. As required by regulations, Management submitted these statements to the SEC, and to the Bureau of Internal Revenue. After the presentations, Management will answer the questions emailed by the stockholders, request the stockholders to approve its report, and the audited financial statements for the year ended 2023, and propose the following resolution:

"RESOLVED, That the Annual Report of Management, and the Company's Audited Financial Statements for the year ended December 31, 2023, be, as they are hereby, approved."

5. Ratification of the Acts of the Board and Management

The Company's performance was the result of the acts, contracts, resolutions and actions of the Board, and the Management, who will request the stockholders to ratify the same. The following is the proposed resolution:

"RESOLVED, That all acts, contracts, resolutions and actions, authorized and entered into by the Board of Directors and Management of the Company from the date of the last Stockholders' Meeting up to the present be, as they are hereby, approved, ratified and confirmed."

6. Appointment of External Auditors

Upon the Audit Committee's favorable recommendation, Management proposes that the Company reappoint SGV as its independent external auditors for the year 2024-2025, and to adopt the following resolution:

"RESOLVED, That the audit firm of SyCip Gorres Velayo & Co., be, as it is hereby, appointed as the Company's independent external auditors for the year 2024-2025."

7. Election of Directors, including Independent Directors

Management proposes to elect six regular directors and three independent directors, and the Information Statement contains the biographical profiles of the following nominees:

- | | |
|------------------------------|--|
| 1. Miguel Rene A. Dominguez | 6. Alfredo G. Pareja |
| 2. Marco Angelo C. Alcantara | 7. Philip Chien |
| 3. Exequiel D. Robles | 8. Ramil L. Villanueva (Independent) |
| 4. Vicente R. Santos | 9. Marcos Rustico D. De Jesus
(Independent) |
| 5. Mariza Santos-Tan | |

8. Other Matters

Management may address other issues emailed by the stockholders.

9. Adjournment

After all matters in the agenda have been taken up, the Chairman will entertain a motion to adjourn the Meeting.

To access or view the Company's 2024 Definitive Information Statement or SEC Form 20-IS, you may use any of the following modes:

1. via ERGCCCI WEBSITE

<https://eagle-ridge.com.ph/annual-stockholders-meetings-2024/>

2. Request for a soft or hard copy

A written request for a copy of the 2024 SEC Form 20-IS addressed to the Corporate Secretary of Eagle Ridge Golf and Country Club Inc. may be emailed at members.relation@eagle-ridge.com.ph.

- For a soft copy, please provide your complete name and valid email address. If you hold shares through a broker or other entity, please indicate the name of the broker or other entity.
- For a hard copy, please provide your complete name and valid mailing address. If you hold shares through a broker or other entity, please indicate the name of the broker or other entity.

3. Through scanning the QR Code



For Android phones

- * Go to your mobile app (App Store or Play Store) using your smartphone.
- * Search for a free QR Code Reader app by typing in QR Code Reader.
- * Click on the app you want to download and click "Install App."
- * Once installed, simply open the app, point the camera and scan the QR Code.
- * Once the QR Code is in focus, the app will automatically connect to the 2024 SEC Form 20-IS of the Company.

For iPhones

- * Simply open the camera of your phone and scan the QR Code.
- * Once the QR Code is in focus, the app will automatically connect to the 2024 SEC Form 20-IS of the Company.

Annex "B" to Notice

EAGLE RIDGE GOLF & COUNTRY CLUB, INC.

Barangay Javalera, Gen. Trias, Cavite

P R O X Y

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, a stockholder of **EAGLE RIDGE GOLF AND COUNTRY CLUB, INC. (ERGCCI)**, a domestic corporation, do hereby name, constitute and appoint:

VICENTE R. SANTOS, or in his absence, the Chairman of the meeting, with power of substitution,

as my true and lawful attorney-in-fact/proxy to represent and vote all my ERGCCI shares, and/or such shares as I am authorized to represent and vote as administrator, executor, or attorney-in-fact, in the **Hybrid** Annual Stockholders' Meeting of ERGCCI to be held on **24 October 2024** by **Zoom videoconference/ Face-to-Face**, and at any continuation thereof, as fully to all intents and purposes as I might or could do if present and acting in person, hereby ratifying and confirming any and all actions to be taken during any said meetings. **If no specific instruction is given, the share/s will be voted FOR the election of the nominees for directors whose names appear in this proxy form, and FOR the approval of all matters listed in the information statement, the stockholders' approval for which is sought in the meeting. Moreover, this proxy shall confer discretionary authority to vote with respect to the election of any person to any office for which a bona fide nominee is named in the information statement; and to all matters incident to the conduct of the meeting.**

A C T I O N I T E M S			
	FOR	AGAINST	ABSTAIN
3. To approve the Minutes of the 19 October 2023 Virtual Annual Stockholders' Meeting			
4. To approve the Management Report, including the Audited Financial Statements of ERGCCI for 2023.			
5. To ratify all acts of the Board, and the Management			
6. To appoint Sycip Gorres Velayo & Co. as External Auditors			
<u>FOR CLASS "A" JURIDICAL ENTITIES ON LY .</u>			
7. To elect the following nominees as directors of ERGCCI:			
(1) Miguel Rene A. Dominguez			
(2) Marco Angelo C. Alcantara			
(3) Exequiel D. Robles			
(4) Vicente R. Santos			
(5) Mariza R. Santos – Tan			
(6) Philip J. Chien			
(7) Alfredo G. Pareja			
(8) Ramil L. Villanueva (Independent)			
(9) Marcos Rustico D. De Jesus (Independent)			

This proxy shall be valid only for the 24 October 2024 Virtual Annual Stockholders' Meeting, and at any continuation thereof. This proxy shall remain effective unless I revoke the same by registering my personal attendance with the Corporate Secretary before the start of the meeting. Attached are the supporting documents, i.e., notarized Secretary's Certificate, copy of government identification cards of the stockholder and proxyholder, etc. Deadline for submission of the proxy will be on 10 October 2024 at 5 o'clock in the afternoon.

WITNESS MY HAND this day of _____ 2024 at _____.

Signature of Stockholder or Person Duly Authorized:

Name of Stockholder: _____
 Title / Position _____
 Number of Share(s): _____
 Membership No.: _____

Conforme By: _____
 Name of Proxyholder: _____

EAGLE RIDGE GOLF & COUNTRY CLUB

Annex "A"

MANAGEMENT REPORT

for the
October 24, 2024 Annual Stockholders' Meeting
Pursuant to SRC Rule 20[4] [B]

MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS

RESULTS OF OPERATIONS AS OF JUNE 30, 2024

Total revenues went up by Php21.4M or 17% from Php127.5M in 2023 to Php148.9M in 2024. This was attributed to the increase of Membership Fee by Php13.0M or 24% from Php54.4M in 2023 to Php67.4M in 2024 due to the improvement in the numbers of billed members. In addition, Green Fees also increase by 33% or Php8.2M from Php25.2M in 2023 to Php33.4M in 2024 and Golf Cart rental which form part under other golf revenues. This was mainly due to the increase of patronage due to the continuous improvement of the golf courses. Likewise, income from concessionaires increased by Php0.2M or 10% from Php1.7M in 2023 to Php1.9M in 2024 as well as the income from sports and recreation operation increased by Php0.6M or 116% from Php0.5M in 2023 to Php1.1M in 2024. On the other hand, Golf Academy decreased by Php1.2M or 55% from Php2.2M in 2023 to Php1.0M in 2024.

Total costs and expenses increased by Php18.4M or 18%, from Php100.0M in 2023 to Php118.4M in 2024.

The Club incurred an operating loss of Php1.9M as of June 30, 2024.

Key Performance Indicators

1) Total Golf Rounds

A golf round is equivalent to 18 holes of golf played by a golfer and indicates the ability of the Club to lure its members to continuously avail of the facilities and to generate, thru marketing activities, additional guests' patronage. Total golf rounds in 2024 was registered at 78,588 rounds, higher than 2023 experience of 77,276 rounds by 1,312 rounds or 1.70%. The increase was mainly attributable to the continuous improvement of the golf courses.

2) Golf Cart Usage

Golf cart usage is the ability of the Club to inform the golfers of the importance of using golf carts not only to generate revenues but to control the flow of traffic in the golf courses. The total number of golfers availing of golf carts, an increase by 6,950 golfers or 21.39% was recorded, from 32,492 golfers in 2023 to 39,442 golfers in 2024. This performance was in direct relation to the increase in golf rounds.

3) New Members Generated

"New members generated" is the ability of the Club, thru its marketing strategies, to solicit new members to enhance generation of additional revenues. New members generated in 2024 totaled 176 members, an increase by 27 members or 18.12% from 2023 mark of 149 members. The Club is continuously embarking a sales blitz by visiting corporate entities and other golf club, and social media advertisement.

4) Average Food & Beverage (F&B) Check

Average F&B check is calculated by dividing total F&B revenues derived from golfers' lounges and tee-houses by total golfers. It measures the ability of the Club's concessionaire to push sales to golfers thru its improved services. The average F&B check has slightly increased by Php19 or 8.60%, from Php221 in 2023 to Php240 in 2024.

5) Unlimited Bucket Rental

Unlimited bucket rental is the unlimited use of golf balls in the use of the Club's driving range and is priced at Php7,500 per month or Php1,000.00 per year exclusively for members. It indicates the ability of the Club to offer unlimited bucket rental to playing golfers. Unlimited bucket rental went up by 466 from 1,313 in 2023 to 1,779 in 2024.

6) Electricity Consumption in Kilowatt-Hour (KWH)

"Electricity consumption in KWH" is a measurement of the Club's ability to monitor and control its electricity consumption to a minimum level thru periodic inspection of its golf course equipment and facilities. The club increases in electricity consumption in KWH by Php343.3k or 34.95% from Php0.92 million in 2023 to Php1.33 million in 2024. This is mainly due to increase of power demand due to almost back to normal operation.

7) Ratio of Gasoline to Cart Income

This indicates the ability of the Club to monitor over-consumption of gasoline in the use of golf carts, and determined by dividing total cart gasoline expense to total cart income. The Club has a negative variance by 1.46%, from 8.3% in 2023 to 6.9% in 2024. The average price per liter of gasoline increased by Php0.21/liter or 0.35%, from Php61.75/liter in 2023 to Php61.96/liter in 2024.

FINANCIAL CONDITION

Total current assets as at June 30, 2024 totaled to Php163.0M; Php12.1M or 8% higher from Php150.9M in December 31, 2023. Cash and cash equivalents a minimal decreased by Php0.2M, from Php106.2M in December 31, 2023 to Php106.0M in June 30, 2024. Input value-added tax and other current assets is up by Php9.3M or 57% as compared to December 31, 2023. Net receivables went up also by Php5.6M or 36%, from Php15.5M on December 31, 2023 to Php21.2M on June 30, 2024. Property and equipment decreased by Php15.2M; net result of depreciation charged to operations in 2024 and additional capex.

Furthermore, total current liabilities increased by Php12.8M or 3%, from Php393.6M on December 31, 2023 to Php406.4M on June 30, 2024.

The Club reported an accumulated deficit of Php1.3B as of June 30, 2024.

REVIEW OF 2023 OPERATIONS

a) Revenues and Profitability

RESULTS OF OPERATIONS

The Club generated total revenues of Php262.3M, resulting an increase of Php74.1M or 39% as compared with 2022's performance of Php188.2M. Membership Fees in 2023 totaled to Php127.2M, which was Php27.5M or 28% higher than that of 2022, amounting Php99.7M. Green Fees increased by Php4.6M from Php41.2M in 2022 to Php45.9M in 2023. Furthermore, Income from Concessionaire increased by Php0.8M or 33% compared to 2022, also attributable to the increase in the golf rounds. However, Income from Sports & Recreation decreased by Php0.2M versus 2022 figures.

The total operating costs and expenses in 2023 amounted to Php210.8M, higher by Php49.0M or 30% compared with that of 2022's Php161.8M. Repairs and maintenance went up by Php17.5M from P31.7M in 2022 mainly because adherence to the golf course maintenance program. Taxes and licenses went up by Php3.1M or 10% due to the increase of the business taxes, Professional Fee went down by P0.3M or 10%. In addition, other expenses such as Representation & travel, operating supplies, commission, communication and miscellaneous expenses went up by Php4.6M or 23%, from P20.1M in 2022 to P24.7M in 2023. Meanwhile, the total employees' salaries, wages and benefits increased by Php13.8M or 29%, from Php47.1M in 2022 to Php61.0M in 2023. Light and water expense increased by P4.1M or 28%, from Php15.0M in 2022 to Php19.2M in 2023. Security services went up by P1.9M or 16%, from Php11.5M in 2022 to Php13.4M in 2023. Laundry and advertising and promotion also increased by P0.6M or 116%, from P0.5M in 2022 to P1.0M in 2023.

All others considered including depreciation, interest income/expense, other income/expense and provision for income tax, the Club reported a Net Income of Php12.4M for 2023.

Financial Position

Total Current Assets increased by Php4.9M, from Php146.0M in 2022 to Php150.9M in 2023. Receivables increased by Php2.6M or 20% from Php 12.9M in 2022 to Php 15.5M in 2023. Inventories increased by Php3.5M or 39% from Php 9.2M in 2022 to Php 12.7M in 2023. Other current assets increased by Php3.8M or 30% from Php 12.7M in 2022 to Php 16.5M in 2023. Meanwhile, the Non-Current Assets has increased by 5%, from Php12.4B in 2022 to Php 13.0B in 2023. This was due to the revaluation increment in land's appraised value amounting to Php613.5M, from Php11.7B in 2022 to Php 12.3B in 2023.

On the other hand, Accounts Payable and other current liabilities decreased by Php29.3M or 7%, from Php422.9M in 2022 to Php393.6M in 2023. The increase was due to the payment of real property tax. Finally, the increase in Deferred Tax Liability was due to the net effect of revaluation increment on the value of the Club's land.

The Club reported an accumulated deficit of Php1.3B as of December 31, 2023.

Key Performance Indicators ("KPI")

The company's key performance indicators are the number of players, golf rounds, golf carts usage, pro-shop sales, average check, and number of members' and guests patronizing sports facilities. The club calculates or identifies the indicator based on analysis presented.

	31-Dec-23	31-Dec-22
	(in thousands)	
Operating Revenue	262,337	188,189
% Change from interim period of preceding year / last fiscal year		39%
Operating expense	210,830	161,849
% Change from interim period of preceding year / last fiscal year		30%
Gross Operating Profit	51,508	26,340
% Change from interim period of preceding year / last fiscal year		96%
GOP % of Operating Revenue	20%	14%
No. of Players - Golf	141.5	91.6
% Change from interim period of preceding year / last fiscal year		54%
No. of golf rounds played	148.3	91.7
% Change from interim period of preceding year / last fiscal year		62%
Golf Operation (GO) Gross	131,030	84,927
% Change from interim period of preceding year / last fiscal year		54%
GO Payroll %	28%	33%
GO Net	26,947	9,953
GO Net % of Gross Operating Revenue	10%	5%
Income from Concessionaire	3,206	2,419
% Change from interim period of preceding year / last fiscal year		33%
Sports Gross	881	1,109
% Change from interim period of preceding year / last fiscal year		-21%
Sports Payroll %	323%	195%
Sports Net	(4,902)	(2,612)
Sports Net % of Gross Operating Revenue	-18%	-42%
Other Membership fees (Including Golf Academy)	34,396	19,422
Membership Expenses	4,731	2,871
Net of Other membership fees	29,664	16,551
% Change from interim period of preceding year / last fiscal year		79%
Members' Contributions	92,825	80,312
% Change from interim period of preceding year / last fiscal year		16%

G&A Expenses	93,914	78,765
% Change from interim period of preceding year / last fiscal year		19%
Club Operating Total Payroll Expense	60,963	47,080
% Change from interim period of preceding year / last fiscal year		29%
Payroll as a % of Operating Revenue	23%	25%

Significant Disclosures

The Club is not aware of any trends, demands, commitments, and events or uncertainties that will have a material impact on the Clubs' liquidity. It is neither aware of any events that will trigger direct or contingent financial obligations that is material to the company or may result in a default or acceleration of an obligation.

There have been no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), neither is there any relationships of the club with unconsolidated entities or other persons created during the reporting period.

The Club has material commitments for capital expenditures like repainting of clubhouses, repair and maintenance of irrigation equipment and purchase of golf course maintenance equipment.

There have been no known trends, events or uncertainties that have had or that are reasonably expected to have material favorable or unfavorable impact on net sales/revenues/income from continuing operations.

There have been no significant elements of income or loss that has arisen from the company's continuing operations.

There have been no seasonal aspects that have had a material effect on the company's financial condition or result of operations during the reporting period.

Independent Public Accountants

SGV & Co. has been the external auditor of the Club since 1999. In compliance with SEC Memorandum Circular No. 8, Mr. Juanito A. Fullecido has been serving as the engagement partner of the Club up to 2012, Mr. Roel E. Lucas for the year ending December 31, 2013 and 2014, Maria Pilar B. Hernandez for year ending December 31, 2015, 2016, and 2017, Monolito R. Ele for year ending December 31, 2018, 2019, 2020, 2021 and 2022, and Djole S. Garcia for year ending December 31, 2023 for the examination of the Company's Financial Statements.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

There were no disagreements with the Club's principal accountants as to any matter of accounting principles or practices, financial statement disclosure, or audit scope or procedure.

NOTES TO FINANCIAL STATEMENTS

Accounting Policies and Principles

The Financial Statements of ERGCCl for the years ended December 31, 2022 and 2023 are presented in accordance with generally accepted accounting principles applied on a consistent basis.

Material Changes in Balance Sheet Accounts

Receivables – 20% Increase

Receivables from members are noninterest-bearing and generally have 30 to 90 days' term. Other receivables are noninterest-bearing and generally have 60 to 90 days' term which includes receivables from landowner and developer and advances to employees. The Club applies a simplified approach in calculating ECLs.

Inventories – 39% Increase

Inventories are stated at the lower of cost and net realizable value (NRV). Costs incurred in bringing each product to its present location and conditions are determined using the first-in, first-out method.

Other Current Assets – 30% Increase

Other current assets pertain to input taxes and prepayments. Prepayments represent expenses paid in advance. Prepayments are apportioned over the period covered by the payment and charged to the appropriate accounts in profit or loss when incurred.

REVIEW OF 2022 OPERATIONS

b) Revenues and Profitability

RESULTS OF OPERATIONS

The Club generated total revenues of Php188.2M, resulting an increase of Php38.4M or 26% as compared with 2021's performance of Php149.8M. Membership Fees in 2022 totaled to Php99.7M, which was Php4.8M or 5% lower than that of 2021, amounting Php104.6M. Green Fees increased by Php24.2M from Php17.1M in 2021 to Php41.2M in 2022. Furthermore, Income from Concessionaire increased by Php1.2M or 96% compared to 2021, also attributable to the increase in the golf rounds. In addition, Income from Sports & Recreation increased by Php0.9M versus 2021 figures.

The total operating costs and expenses in 2022 amounted to Php161.8M, higher by Php23.0M or 17% compared with that of 2021's Php138.9M. Repairs and maintenance went up by Php5.9M from P25.8M in 2021 mainly because adherence to the golf course maintenance program. Taxes and licenses went up by Php8.7M or 36% due to the increase of the real property taxes, Professional Fee went down by P2.0M or 40%. In addition, other expenses such as Representation & travel, operating supplies, commission, communication and miscellaneous expenses went up by insignificant amount, from P20.1M in 2021 to P20.1M in 2022. Meanwhile, the total employees' salaries, wages and benefits increased by Php7.6M or 19%, from Php39.5M in 2021 to Php47.1M in 2022. Light and water expense increased by P1.9M or 14%, from Php13.1M in 2021 to Php15.0M in 2022. Security services went up by P0.4M or 3%, from Php11.1M in 2021 to Php11.5M in 2022. Laundry and advertising and promotion also increased by P0.4M or 407%, from P0.1M in 2021 to P0.5M in 2022.

All others considered including depreciation, interest income/expense, other income/expense and provision for income tax, the Club reported a Net Loss of Php35.1M for 2022.

Financial Position

Total Current Assets increased by Php62.8M, from Php83.2M in 2021 to Php146.0M in 2022. Cash & cash equivalents increased by Php52.6M or 90% from Php 58.6M in 2020 to Php 111.2M in 2022. Meanwhile, the Non-Current Assets has increased by 17%, from Php10.6B in 2021 to Php 12.4B in 2022. This was due to the revaluation increment in land's appraised value amounting to Php1.8B, from Php9.8B in 2021 to Php 11.7B in 2022.

On the other hand, Accounts Payable and other current liabilities increased by Php56.4M or 15%, from Php366.6M in 2021 to Php422.9M in 2022. The increase was due to the unpaid real property tax. Finally, the increase in Deferred Tax Liability was due to the net effect of revaluation increment on the value of the Club's land.

The Club reported an accumulated deficit of Php1.3B as of December 31, 2022.

Key Performance Indicators ("KPI")

The company's key performance indicators are the number of players, golf rounds, golf carts usage, pro-shop sales, average check, and number of members' and guests patronizing sports facilities. The club calculates or identifies the indicator based on analysis presented.

	31-Dec-22	31-Dec-21
	(in thousands)	
Operating Revenue	188,189	149,807
% Change from interim period of preceding year / last fiscal year		26%
Operating expense	161,849	138,854
% Change from interim period of preceding year / last fiscal year		17%
Gross Operating Profit	26,340	10,953
% Change from interim period of preceding year / last fiscal year		140%
GOP % of Operating Revenue	14%	7%
No. of Players - Golf	91.6	51.3
% Change from interim period of preceding year / last fiscal year		79%
No. of golf rounds played	91.7	51
% Change from interim period of preceding year / last fiscal year		80%
Golf Operation (GO) Gross	84,927	43,832
% Change from interim period of preceding year / last fiscal year		94%
GO Payroll %	33%	53%
GO Net	9,953	(20,828)
GO Net % of Gross Operating Revenue	5%	-14%
Income from Concessionaire	2,419	1,237
% Change from interim period of preceding year / last fiscal year		96%
Sports Gross	1,109	178
% Change from interim period of preceding year / last fiscal year		552%
Sports Payroll %	195%	1086%
Sports Net	(2,612)	(2,723)
Sports Net % of Gross Operating Revenue	-42%	-7%
Other Membership fees (Including Golf Academy)	19,422	40,436
Membership Expenses	2,871	3,087
Net of Other membership fees	16,551	37,349
% Change from interim period of preceding year / last fiscal year		-56%
Members' Contributions	80,312	64,124
% Change from interim period of preceding year / last fiscal year		25%
G&A Expenses	78,765	67,141
% Change from interim period of preceding year / last fiscal year		17%
Club Operating Total Payroll Expense	47,080	39,507
% Change from interim period of preceding year / last fiscal year		19%
Payroll as a % of Operating Revenue	25%	26%

Significant Disclosures

The Club is not aware of any trends, demands, commitments, and events or uncertainties that will have a material impact on the Clubs' liquidity. It is neither aware of any events that will trigger direct or contingent financial obligations that is material to the company or may result in a default or acceleration of an obligation.

There have been no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), neither is there any relationships of the club with unconsolidated entities or other persons created during the reporting period.

The Club has material commitments for capital expenditures like repainting of clubhouses, repair and maintenance of irrigation equipment and purchase of golf course maintenance equipment.

There have been no known trends, events or uncertainties that have had or that are reasonably expected to have material favorable or unfavorable impact on net sales/revenues/income from continuing operations.

There have been no significant elements of income or loss that has arisen from the company's continuing operations.

There have been no seasonal aspects that have had a material effect on the company's financial condition or result of operations during the reporting period.

Independent Public Accountants

SGV & Co. has been the external auditor of the Club since 1999. In compliance with SEC Memorandum Circular No. 8, Mr. Juanito A. Fullecido has been serving as the engagement partner of the Club up to 2012, Mr. Roel E. Lucas for the year ending December 31, 2013 and 2014, Maria Pilar B. Hernandez for year ending December 31, 2015, 2016, and 2017 and Monolito R. Elle for year ending December 31, 2018, 2019, 2020, 2021 and 2022 for the examination of the Company's Financial Statements.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

There were no disagreements with the Club's principal accountants as to any matter of accounting principles or practices, financial statement disclosure, or audit scope or procedure.

NOTES TO FINANCIAL STATEMENTS

Accounting Policies and Principles

The Consolidated Financial Statements of ERGCCl for the years ended December 31, 2021 and 2022 are presented in accordance with generally accepted accounting principles applied on a consistent basis.

Material Changes in Balance Sheet Accounts

Cash and Cash Equivalents – 90% Increase

Cash includes cash on hand and in banks. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value. Short-term deposits earn interest at the respective short-term deposits rates. Interest income earned from cash and cash equivalents amounted to Php 87,263 in 2022 and Php67,387 in 2021.

Inventories – 74% Increase

Inventories are stated at the lower of cost and net realizable value (NRV). Costs incurred in bringing each product to its present location and conditions are determined using the first-in, first-out method.

Accounts Payable and Other Current Liabilities – 15% Increase

Trade payables, accrued expenses and other current liabilities are non-interest bearing and normally have an average term of less than one year.

BRIEF DESCRIPTION OF THE GENERAL NATURE AND SCOPE OF THE BUSINESS

The Business

EAGLE RIDGE GOLF AND COUNTRY CLUB, INC. ("ERGCCI") is a corporation organized and incorporated jointly by Alsons Land Corporation ("ALC") and Sta. Lucia Realty and Development, Inc. ("SLRDI") on 09 December 1996 for the purpose of operating, managing, and maintaining a golf and country club in General Trias, Cavite.

ERGCCI consists of four (4) world-class golf courses, namely, the Andy Dye, Nick Faldo, Isao Aoki and Greg Norman golf courses. The purchase of either a Class "A", Class "B", or a Class "C" entitles the buyer to the ownership of a share in ERGCCI, membership in the club pursuant to its rules, and access to the amenities and facilities of the club.

ERGCCI prides itself in being the only 72-hole golf course development in the country. Investors in ERGCCI have the unique advantage of having access to four golf courses for the price of one. ERGCCI is fully completed and operational with the completion of the Driving Range.

The main objective and undertaking of the Club is the construction, maintenance and operations of its four golf courses, as well as the Sports Club (tennis, badminton, basketball, swimming pool, bowling lanes and other outdoor related sports) and recreational facilities for the amusement, entertainment and recreation of its Stockholders and Members.

As the name of the Corporation states, its principal services are golf operations; food and beverage operations and other golf related activities such as the operation of golf pro-shop, driving range, golf academy and other recreation activities. Contribution to net income of above services remains the same. There is no substantial difference to its relative contribution. The major source of revenue and their corresponding contribution to total revenues are as follows: green fees net (16.2%) inclusive of guest fees and golf academy, membership fees (63.3%) such as member's contribution, admission, transfer, assignment, change of corporate nominee and playing privilege fees, income from concessionaire (1.1%), income from sports and recreations (0.6%), and other golf revenues (18.8%).

ERGCCI, on record, remains as the official seller of the shares and issues all official receipts and documents pertaining to any club share transaction.

A mere 50 kilometers from Makati, ERGCCI competes for membership and golf rounds not just with golf and country clubs within the provinces of Cavite, Laguna, and Batangas but also with those Golf Clubs located within the Metro Manila area. In direct and close competition with ERGCCI within the province of Cavite are Manila Southwoods, Orchard, Sherwood Hills, Riviera, and Tagaytay Highlands Golf and Country Clubs. The ERGCCI believes that it can effectively compete with other Clubs because of its size and the world-class golf and sports facilities it offers. Fees charged are also lower for the same service compared with other Golf and Country Clubs.

ERGCCI remains unmatched in its offerings and facilities. Its 72-hole golf course is the only one in the country and the third of its kind in Southeast Asia, while keeping pace with the other Golf and Country Clubs in terms of pricing, green fees and guests' fees.

The horizontal construction and development of the residential and commercial areas of the Project have already been completed including the Main Clubhouse. All developments made are in compliance with the approved land use zoning plan and applicable building regulations.

The natural topography of the area was preserved and used to enhance the Golf Courses. Wetland areas and vegetation remained untouched. To further improve the ecosystem in the area, additional trees have been planted. Moreover, drainage structures were properly installed and tested without affecting or damaging the natural drainage systems such as creeks, rivers and waterways.

The first three (3) mitigating measures were undertaken by SLRDI, while the last mitigating measure was undertaken by ALC pursuant to a Memorandum of Understanding between the parties.

ERGCCI operates under a Certificate of Permit to Offer Securities for Sale issued by the Securities and Exchange Commission ("SEC") and an Environmental Compliance Certificate ("ECC") granted by the Department of Environment and Natural Resources ("DENR").

The Club is not dependent on any particular supplier or group of suppliers for various supplies needed in the maintenance of its facilities. Moreover, it is also not dependent upon a single customer or a few customers. The Club has a total of 1,109 active members and all members can use the facilities and services of the club subject to the club's existing policies and procedures.

The Club has entered into an agreement with related parties for the maintenance of the club facilities, security services and legal consultations.

The Club has no research and development activities during the reporting period.

As of December 31, 2023, the Company has a total of 164 employees which consists of the following:

<i>Position</i>	<i>Administrative</i>	<i>Operations</i>	<i>Clerical</i>	<i>TOTAL</i>
Managers	5	1	-	6
Supervisors	8	13	-	21
Rank and file	34	103	-	137
<i>TOTAL</i>	<i>47</i>	<i>117</i>	<i>-</i>	<i>164</i>

The 73 employees under Rank and File are subject to any Collective Bargaining Agreement. Existing supplemental benefits or incentive arrangements are given to managers including a car plan, meals, telephone, transportation, housing and clothing allowances.

Golf rounds, number of paying members and number of players, both in golf and sports, are identified as the registrant's key performance indicators. Decline in these indicators maybe considered as a major risk factor that the Club maybe involved in. However, the registrant believes that through its intensive shares marketing efforts with fully operational golf courses, the Club may not consider the same as a risk factor.

Directors and Executive Officers

As provided in the Articles of Incorporation of the Club, the Board of Directors is composed of nine (9) members, who shall serve for a term of one (1) year or until their successors shall have been duly elected and qualified.

The following are the names, ages, positions, and the terms and lengths of service of the Directors and Executive Officers of the Club.

NAME	AGE	POSITION	CITIZENSHIP	Term of Service	Length of Service
Tomas I. Alcantara	78	Chairperson	Filipino	1 year	24 years
Exequiel D. Robles	69	Director/President	Filipino	1 year	27 years
Mariza Santos-Tan	66	Director/Corp Sec.	Filipino	1 year	27 years
Vicente R. Santos	67	Vice Chairman/Director	Filipino	1 year	27 years
Alfredo Pareja	70	Director	Filipino	1 year	10 years
Philip J. Chien	76	Director	Filipino	1 year	3 years
Miguel Rene A. Dominguez	47	Director	Filipino	1 year	2 years
Benjamin R. Almario	87	Independent Director	Filipino	1 year	22 years
Ramil L. Villanueva	55	Independent Director	Filipino	1 year	16 years
Atty. Jonathan F. Jimenez	59	Asst. Corp. Secretary	Filipino	1 year	2 years
Antonio Carlos S. Ocampo	58	General Manager	Filipino	7 years	7 years
Richard H. Banghero	31	Finance Manager	Filipino	Reg. Emp.	5 years

Profiles of Directors and Executive Officers

TOMAS I. ALCANTARA

Chairperson

Tomas I. Alcantara, 78, Filipino, has been the Chairman of the Corporation since July 01, 2000 and serves as such until the present time. He holds a Bachelor of Science degree in Economics from the

Ateneo de Manila University, a Masters in Business Administration degree from Columbia University, USA and he attended the Advance Management Program (AMP) of the Harvard Business School. He served as President of Alsons Consolidated Resources, Inc., and several power and property development companies of the Alcantara Group.

Mr. Alcantara served as Undersecretary for the Industry and Investments Group of the Department of Trade and Industry (DTI), Vice-Chairman and Managing Head of the Board of Investments (BOI) from July 1986 to March 1995 and Special Envoy of the Philippine President to the APEC in 1996.

He is the uncle of Mr. Miguel Rene A. Dominguez.

EXEQUIEL D. ROBLES

Director / President

Exequiel D. Robles, 69, Filipino, graduated from San Sebastian College with a degree in Bachelor of Science in Business Administration. He attended seminars on management conducted by Guthrie-Jensen Consultants, Inc. (1997) and Golf Asia International in Malaysia (1992).

He has been the President and General Manager of Sta. Lucia Realty & Development, Inc. for more than 30 years now. He is responsible for turning Sta. Lucia Realty into a well-respected real estate developer in the country today. He is also the President of nine (9) other affiliated companies of Sta. Lucia, such as the Sta. Lucia East Cinema Corporation since December 1990, Sta. Lucia Waterworks Corporation since November 1990, Sta. Lucia East Commercial Corporation since February 1991, Sta. Lucia East Bowling Center, Inc. and Sta. Lucia East Department Store since October 1993, Valley View Realty and Development Corporation since February 1983, RS Maintenance & Services, Inc. since July 1989, Rob-San East Trading Corporation since February 1991 and RS Night Hawk Security and Investigation Agency since March 1992.

He is the first cousin of Mr. Vicente R. Santos and Ms. Mariza Santos-Tan.

He has been a Member of the Board since 1997 and has served as the President of the Company since March 1998.

MARIZA SANTOS-TAN

Director/Corporate Secretary

Mariza Santos-Tan, 66, Filipino, earned a Management degree from San Sebastian College. She has been the Vice-President for Sales of Sta. Lucia Realty for more than 25 years. She is responsible for developing sales strategies for residential, commercial and golf development projects of the Sta. Lucia. She has been the head of the sales department of Valley View Realty and Development, Inc. since February 1983. She is also the Corporate Secretary of Sta. Lucia's affiliated companies which consist of Sta. Lucia East Cinema Corporation since December 1990, Sta. Lucia Waterworks Corporation since November 1990, Sta. Lucia East Commercial Corporation since February 1991, Sta. Lucia East Bowling Center, Inc. and Sta. Lucia East Department Store since October 1993, RS Maintenance & Services, Inc. since July 1989, Rob-San East Trading Corporation since February 1991, Treasurer of Sta. Lucia Land Inc. since 2009 and Vice Chairman of Manila Jockey Club since 2003

She is the sister of Mr. Vicente R. Santos and the first cousin of Mr. Exequiel D. Robles.

She has been a member of the Board and has served as its Corporate Secretary since 1997.

VICENTE R. SANTOS

Vice Chairman/Director

Vicente R. Santos, 67, Filipino, earned a Management degree from San Sebastian College. He is the Executive Vice-President of Sta. Lucia Realty Development Inc., for more than 25 years. He oversees the day-to-day operations of the Company and its projects. He is also Chairman of the Board of several affiliate companies of Sta. Lucia Land and a member of the Board of Directors of National Golf Association of the Philippines and the Federation of Private Golf Clubs. He is the Chairman of the Board

of Orchard Golf & Country Club since 2006, the President of Acropolis North since 2003, and the Corporate Secretary of Lakewood Cabanatuan since 2005.

He is the first cousin of Mr. Exequiel D. Robles and the brother of Ms. Mariza Santos-Tan.

He has been a Member of the Board since 1997.

ALFREDO G. PAREJA

Director

Alfredo G. Pareja, 70, Filipino, holds a BS degree in Nursing from St. Anne's College of Nursing. He worked as Medical Officer in Philippine-Singapore Ports Corporation, Jeddah, KSA from November 1977 to 1980. He served as a Hospital Administrator at the same Institute from 1980 to 1983. He joined the U.S. Navy and became Medical Corpsman of the United States Marine Corps. He retired from the service in 2005. Further, he worked as Interviewer for the California Department of Social Services from 2005 to 2013.

He joined the Company as a Director on October 23, 2014.

PHILIP J. CHIEN

Director

Philip J. Chien, 76, Filipino, earned a Masters in Business Administration degree from University of the East and studied Senior Executive in National and International Security in Harvard Kennedy School. Mr Chien is currently the President & CEO of esteemed companies such as: Global Satellite Technology Services Inc., G. Telecoms Inc., One Media Network Inc. and First Global Technopark.

Currently, he is also the Chairman & CEO of First Global Conglomerates, Inc.

Mr. Chien also holds executive positions in various organizations linked to government institutions such as: Consul General in the Republic of Botswana, Commodore of the Philippine Coast Guard Auxiliary, Chairman of the Foreign Chamber Council of the Philippines, Inc. and Chairman Emeritus of the Taiwan Chamber of Commerce and Industry in the Philippines.

MIGUEL RENE A. DOMINGUEZ

Director

Miguel Rene A. Dominguez, Filipino, 47 years old, was appointed as President and CEO of Alsons Development and Investment Corporation and the Director of Corporate Strategy for Agribusiness Unit (ABU) of the Alcantara Group effective 1 July 2024. He is also a Director of Alsons Aquaculture Corporation, Sarangani Agricultural Co., Inc., and the Philippine Business for Social Progress. He served as Chairman of the Regional Peace and Order Council for Region 12 (2011-2013), Chairman of SOCSARGEN Area Development Board (2008-2011), and Chairman of Regional Development Council of Region 12 (2007-2010). Mr. Dominguez was named an awardee for Governance and Public Service in the Ten Outstanding Young Men for 2013 by the Junior Chamber International Philippines and the TOYM Foundation. He was the first awardee of the Jesse Robredo Leadership Award given the same year. He was governor of Sarangani province for three consecutive 3-year terms that began in 2004.

Prior to his election as governor, he was the National Sales and Marketing Manager of the Alsons Aquaculture Corporation in 2003, earning for the brand "Sarangani Bay" a strong hold in the international markets, particularly in the US, Japan and Europe. He envisioned Sarangani as the aquaculture center of the Philippines, organized the Chamber of Aquaculture and Ancillary Industries of Sarangani, Inc. (CHAINS), of which he became the first President in 2002. He started the Annual Aquaculture Exposition in Sarangani and pushed for the success of CHAINS' Grouper and Seabass Growership Project with the Sapu Padidu Small Fishermen Cooperative. He also became a Director of the Fisheries and Aquatic Board of the Philippines in 2002.

He earned his degree in AB Economics, minor in Rural Development, from Boston College in the US. He recently completed his Masters' Degree in Public Administration at the Harvard Kennedy School's Mason Fellows Program, and was honored as an Eisenhower Fellow.

He is the nephew of Mr. Tomas I. Alcantara

ATTY. JONATHAN F. JIMENEZ
Assistant Corporate Secretary

Atty. Jonathan F. Jimenez, 59, Filipino, was appointed as the Assistant Corporate Secretary of the Company on April 8, 2022. He is a member of the Philippine bar and a Juris Doctor (Law) graduate from the Ateneo de Manila University in 1992. Atty. Jimenez has a long-standing career of 23 years in the Alcantara Group. He first joined the Alcantara Group in October 1998 as Legal Counsel of Lima Land, Inc. In October of 2013, he transferred to Alsons Land Corporation prior to moving to Conal Corporation in March 2014 as Legal Counsel. He now serves as the Corporate Secretary of the Alcantara Group's other companies.

ANTONIO CARLOS S. OCAMPO
General Manager

Mr. Antonio Carlos Ocampo, 58, Filipino, has been in the Golf industry for more than 20 years. He is a professional Rules Official and Tournament Director for the Asian PGA, Davidoff Tour, Omega Tour, Asian Tour, Asean PGA, One Asia and the Local Tour. He had handled more than 250 International and local professional golf events as a Tournament Director and Rules Official. He is an accredited Golf Course rater (USGA) and had also worked with IMG as the Tournament Director for Asia. He had managed hundreds of corporate and amateur golf events.

He is presently managing the Eagle Ridge Golf and Country Club (ERGCC) after his stint at Valley Golf and Country Club. His expertise in golf comes in handy to ensure that the Club's members enjoy excellent golf facilities and world class services.

RICHARD H. BANGHERO
Finance Manager

Mr. Richard Banghero, 31, Filipino, is a Certified Public Accountant and a graduate of Lyceum of the Philippines University – Cavite Campus (LPU- C) with a degree of Bachelor of Science in Accountancy. He started his career in November 2014 as Assurance Associate of Sycip Gorres Velayo & Company (SGV & Co.), where he stayed for almost two years. At the same time he was a part-time instructor of his Alma Mater, LPU – C, under the College of Business Administration where he taught Accounting and Tax subjects. On May 2016, he moved to Filinvest Alabang, Inc. where he worked as Budget and Finance Supervisor for three years.

He is presently the Finance Manager of Eagle Ridge Golf and Country Club (ERGCC) after joining the Company on February 4, 2019.

Family Relationships

Mr. Tomas I. Alcantara (Chairperson of the Board of Directors) is the uncle of Mr. Miguel Rene A. Dominguez (also a Director).

Mr. Exequiel D. Robles (President of ERGCC) is the first cousin of the Corporate Secretary, Ms. Mariza Santos-Tan (also a Director) and Vice Chairman, Mr. Vicente R. Santos (also a Director).

Independent Directors

The following are the Eagle Ridge Golf & Country Club, Inc. independent directors. They are neither officers nor substantial shareholders of the club:

1. Benjamin R. Almario
2. Ramil L. Villanueva

Properties

The company has land as its principal property on which the Project was developed. It is located at Barangay Javalera, General Trias, Cavite and consists of around 306 hectares.

The ERGCCl's real properties and other Club improvements are found in Barangay Javalera, Gen. Trias, Cavite. A description of the Club's real property and other improvements like golf courses namely, the Andy Dye, Nick Faldo, Isao Aoki and Greg Norman courses and its verticals, the Dye, Aoki and Main Clubhouses are complete and operational as of report date.

It has an aggregate land area of Three Million Sixty-Seven Thousand and Two Hundred Eighty-Three square meters (3,067,283 sq. m.) covered by 17 separate Transfer Certificates Title, under the Register of Deeds at Trece Martires City, Cavite, Philippines.

The titles to the lots comprising the site of the Project have been properly transferred free of any liens or encumbrances to ERGCCl through a Deed of Assignment dated July 1997. The company is not leasing any property under its name and has no plans of acquiring other properties in the next twelve months.

LEGAL PROCEEDINGS

None of the Directors and Officers was involved in any bankruptcy proceedings as of September 5, 2024 and during the past six years. Neither have they been convicted by final judgment in any criminal proceedings or have been subject to any order, judgment or decree of competent jurisdiction, permanently or temporarily enjoining, barring, suspending, or otherwise limiting their involvement in any type of business, securities, commodities or banking activities, nor found in action by any court or administrative bodies to have violated a securities or commodities law.

Submission of Matters to a Vote of Security Holders

There were no matters submitted to a vote of security holders during the fourth quarter of the fiscal year covered by this report.

OPERATIONAL AND FINANCIAL INFORMATION

Market Price of and Dividends on the Registrant's Common Equity

The shares being offered by ERGCCl, although registered are not listed. Hence, they are not traded in the Philippine Stock Exchange. Trading or sale of shares is made through marketing by real estate agents/brokers. For this type of shares, a permit was secured from the SEC, which was initiated by the filing of a Registration Statement by the Applicant. The buyers of the registrant's golf shares are expected to be from the upper and middle class bracket from Metro Manila and the surrounding cities. At present and during the last three (3) years, the shares are being offered at the following prices:

- Class A - Php1.0M
- Class B - Php1.1M
- Class C - Php1.3M

A total of 53 and 68 transfers of shares in 2023 and 2022 respectively were registered in the Corporation's Stock & Transfer book.

Frequency of Sale/Exchange (transfer) of Shares

		2023	2022
1st Quarter	Class A	3	11
	Class B	0	1
	Class C	0	1
2nd Quarter	Class A	6	34
	Class B	1	2
	Class C	0	0
3rd Quarter	Class A	22	0

	Class B	14	2
	Class C	1	0
4th Quarter	Class A	6	15
	Class B	0	2
	Class C	0	0

As stated in the Articles of Incorporation of ERGCC, the total authorized capital stock of the company consists of 6,000 no par value common shares divided into 3,600 Class "A" shares, 1,400 Class "B" shares and 1,000 Class "C" shares.

Under the same Articles of Incorporation, out of the 6,000 no par value common shares, Sta. Lucia Realty & Dev., Inc. and Alsons Land Corporation hold 1,500 shares as reserved shares on a 60%-40% basis.

As of July 15, 2024, there are 4,709 outstanding shares (Class A – 3,128; Class B – 889; Class C – 692) and the following are the top twenty (20) shareholders:

Names	Class	No of Shares	Percentage of Total Shares Outstanding (4,709)
1. Sta. Lucia Realty and Development Inc.	A	535	11.36
	B	201	4.27
	C	148	3.14
2. Alsons Land Corporation	A	293	6.22
	B	102	2.17
	C	85	1.81
3. Philip J. Chien	A	114	2.42
	B	12	0.25
4. Equitable PCI Bank/Banco De Oro	B	47	1.00
	C	49	1.04
5. Metropolitan Bank & Trust Company	A	86	1.83
6. Philippine National Bank	A	42	0.89
	B	30	0.64
7. United Coconut Planters Bank	A	4	0.08
	B	2	0.04
	C	13	0.28
8. Security Bank Corporation	A	26	0.55
9. International Exchange Bank	B	21	0.45
10. Philippine Deposit Insurance Corporation	A	20	0.42
11. Chailease Finance Corporation	A	11	0.23
12. Ebenezer International College	C	14	0.30
13. International Management Design	B	10	0.21
14. Insular Life Savings and Trust Company	A	8	0.17
15. Rizal Commercial Industrial Corporation	A	8	0.17
16. James O. Dy	A	7	0.15
17. Korea Tours & Travel Corp.	C	6	0.13
18. Ciriaco Realty & Dev't. Corp	A	5	0.11
19. Sang Jang Printing Inc.	C	5	0.11
20. Joseph Tan Cheng & Antonette Lim Cheng	A	4	0.08
21. Dee C. Chuan & Sons	A	4	0.08
22. RCS Marketing Corporation	A	4	0.08
23. Mariza S. Tan	A	4	0.08
24. Hsieh Ong Chiu Yong	A	4	0.08

The registrant, being a non-profit organization, will not be declaring dividends as provided in its Articles of Incorporation and By-Laws. Thus, there are no restrictions that limit the ability of ERGCC to pay dividends on common equity or that are likely to do so in the future.

Moreover, there are no recent sales for the unregistered securities of the company.

CORPORATE GOVERNANCE

- (a) Compliance with SEC Memorandum Circular No. 2 dated April 5, 2002, as well as all relevant Circulars on Corporate Governance have been monitored;

Eagle Ridge Golf & Country Club, Inc. its directors, officers and employees complied with all the leading practices and principles on good corporate governance as embodied in the company's Manual;

Eagle Ridge Golf & Country Club, Inc. also complied with the appropriate performance self-rating assessment and performance evaluation system to determine and measure compliance with the Manual;

Some Senior Management officers and a Director have attended a seminar on Corporate Governance. We shall schedule the complete attendance of the others on the required seminar on Corporate Governance for the members of the Board and the Corporation's Senior Management Team by the First Quarter of 2008 for those who have not attended the required seminars.

- (b) The Club regularly informs independent board of directors of regular seminars regarding responsibility of independent board of directors as well as guidelines per SEC regulations.

There is a process which determines whether a director conducts fair business transactions, devotes necessary time and attention to discharge his duties, act judiciously, exercise independent judgment, has working legal knowledge affecting the company, observes confidentiality and ensures soundness, effectiveness and adequacy of company's control environment.

- (c) No major deviations from the adopted Manual on Corporate Governance.

- (d) Officers in charge of the nomination/selection, audit compensation is given regular updates on compliance circulars.

The decisions that are being made by the Board are clearly documented and understood.

Majority of the Boards are independent of the Chief Executive Officer, management team and have no commercial dealings with the organization.

The Board members have access to independent professional advice to enable them to discharge their duties.

There are mechanisms to monitor the performance of the Board and individual Board members.

The company has an overall organizational plan, which is supported by a business plan, budgets and marketing plan.

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

A	1	9	9	6	1	0	8	2	6
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COMPANY NAME

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

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

C	r	i	s	a	n	t	o	D	e	l	o	s	R	e	y	e	s	R	d	.	,	B	r	g	y	.
J	a	v	a	l	e	r	a	,	G	e	n	.	T	r	i	a	s	,	C	a	v	i	t	e		

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 ergcc_finance@yahoo.com	Company's Telephone Number (046) 419-2841	Mobile Number 09178013639
No. of Stockholders 2,048	Annual Meeting (Month / Day) Any day of October	Fiscal Year (Month / Day) 12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person Mariza S. Tan	Email Address stalucia203@yahoo.com	Telephone Number/s (02) 722-5811	Mobile Number 09175000203
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CONTACT PERSON'S ADDRESS

Cluster A, Alexandra Condo., Ugong, Pasig City

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 of Notice of Deficiencies shall not excuse the corporation from liability for its



INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
Eagle Ridge Golf and Country Club, Inc.
Crisanto Delos Reyes Rd., Brgy. Javalera
General Trias, Cavite

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Eagle Ridge Golf and Country Club, Inc. (the Club), which comprise the statements of financial position as at December 31, 2023 and 2022, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for each of the three years in the period ended December 31, 2023, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Club as at December 31, 2023 and 2022, and its financial performance and its cash flows for each of the three years in the period ended December 31, 2023 in accordance with Philippine Financial Reporting Standards (PFRSs).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Club in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have 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.

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 PFRSs, 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 Club'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 Club or to cease operations, or has no realistic alternative but to do so.

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



Auditor's 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 auditor's 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 PSAs 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, they 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 PSAs, 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 Club'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 Club's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Club to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the 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 audit.



Report on the Supplementary Information Required Under Revenue Regulations No. 15-2010

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations No. 15-2010 in Note 23 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management of Eagle Ridge Golf and Country Club, Inc. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Djole S. Garcia

Partner

CPA Certificate No. 0097907

Tax Identification No. 201-960-347

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

BIR Accreditation No. 08-001998-102-2021, September 16, 2021, valid until September 15, 2024

PTR No. 10079941, January 5, 2024, Makati City

April 11, 2024



EAGLE RIDGE GOLF AND COUNTRY CLUB, INC.
STATEMENTS OF FINANCIAL POSITION

	December 31	
	2023	2022
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	₱106,153,667	₱111,193,738
Receivables (Note 5)	15,537,158	12,934,308
Supplies - at net realizable value (Note 6)	12,701,688	9,167,351
Other current assets (Note 7)	16,487,218	12,667,064
Total Current Assets	150,879,731	145,962,461
Noncurrent Assets		
Land at revalued amount (Notes 8 and 11)	12,269,132,000	11,655,675,400
Property and equipment (Note 9)	704,834,818	725,771,484
Other noncurrent assets (Note 7)	35,041,123	32,837,303
Total Noncurrent Assets	13,009,007,941	12,414,284,187
TOTAL ASSETS	₱13,159,887,672	₱12,560,246,648
LIABILITIES AND EQUITY		
Current Liability		
Accounts payable and other current liabilities (Notes 10 and 13)	₱393,619,407	₱422,919,523
Noncurrent Liabilities		
Pension liability (Note 16)	22,516,460	17,055,917
Deferred income tax liability (Notes 8 and 17)	2,886,689,045	2,733,324,895
Other noncurrent liabilities	9,155,231	9,031,354
Total Noncurrent Liabilities	2,918,360,736	2,759,412,166
Total Liabilities	3,311,980,143	3,182,331,689
Equity		
Capital stock (Note 12)	1,822,094,441	1,822,094,441
Additional paid-in capital	15,454,374	15,454,374
Shares allocated to landowner and developer (Notes 1 and 11)	684,948,850	684,948,850
Revaluation increment on land - net of tax (Note 8)	8,660,067,136	8,199,974,686
Remeasurement gain (loss) on pension liability (Note 16)	(671,620)	1,791,457
Deficit	(1,333,985,652)	(1,346,348,849)
Total Equity	9,847,907,529	9,377,914,959
TOTAL LIABILITIES AND EQUITY	₱13,159,887,672	₱12,560,246,648

See accompanying Notes to Financial Statements.



EAGLE RIDGE GOLF AND COUNTRY CLUB, INC.
STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31		
	2023	2022	2021
REVENUES (Notes 14 and 20)			
Membership fees	₱127,220,566	₱99,733,745	₱104,559,726
Green fees	45,872,787	41,246,061	17,057,020
Golf cart income	45,834,015	29,329,307	20,547,151
Bucket rental income	4,309,189	4,429,000	3,406,679
Revenues from concessionaires	3,205,616	2,419,247	1,236,658
Revenues from sports and recreation operations	880,905	1,108,928	178,258
Other golf revenues	35,014,287	9,922,736	2,821,459
	262,337,365	188,189,024	149,806,951
COSTS AND EXPENSES (Note 15)	(210,829,674)	(161,849,438)	(138,854,201)
DEPRECIATION (Note 9)	(62,605,519)	(57,934,718)	(56,774,591)
INTEREST EXPENSE (Note 13)	(600,254)	(3,636,693)	(4,546,930)
INTEREST INCOME (Note 4)	380,779	87,263	67,387
OTHER INCOME - Net (Note 14)	25,052,990	561,936	3,685,607
INCOME (LOSS) BEFORE INCOME TAX	13,735,687	(34,582,626)	(46,615,777)
PROVISION FOR CURRENT INCOME TAX (Note 17)	(1,372,493)	(505,754)	–
NET INCOME (LOSS)	12,363,194	(35,088,380)	(46,615,777)
OTHER COMPREHENSIVE INCOME NOT TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS			
Revaluation increment on land (Note 8)	613,456,600	1,840,369,400	613,457,000
Tax effect (Note 17)	(153,364,150)	(460,092,350)	(153,364,250)
Effect of change in income tax rate (Note 17)	–	–	423,973,659
	460,092,450	1,380,277,050	884,066,409
Remeasurement gain (loss) on pension liability (Note 16)	(2,463,077)	2,499,622	4,325,558
	457,629,373	1,382,776,672	888,391,967
TOTAL COMPREHENSIVE INCOME	₱469,992,567	₱1,347,688,292	₱841,776,190
Income (Loss) Per Share (Note 12)	₱2,061	(₱5,848)	(₱7,769)

See accompanying Notes to Financial Statements.



EAGLE RIDGE GOLF AND COUNTRY CLUB, INC.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021

	Capital Stock (Note 12)	Additional Paid-in Capital	Shares Allocated to Landowner and Developer (Note 11)	Revaluation Increment on Land, net of tax (Note 8)	Remeasurement Gain (Loss) on Pension Liability (Note 16)	Deficit	Total
Balance at December 31, 2020	₱1,822,094,441	₱15,454,374	₱684,948,850	₱5,935,631,227	(₱5,033,723)	(₱1,264,644,692)	₱7,188,450,477
Net loss	–	–	–	–	–	(46,615,777)	(46,615,777)
Other comprehensive income	–	–	–	884,066,409	4,325,558	–	888,391,967
Total comprehensive income (loss)	–	–	–	884,066,409	4,325,558	(46,615,777)	841,776,190
Balance at December 31, 2021	₱1,822,094,441	₱15,454,374	₱684,948,850	₱6,819,697,636	(₱708,165)	(₱1,311,260,469)	₱8,030,226,667
Balance at December 31, 2021	₱1,822,094,441	₱15,454,374	₱684,948,850	₱6,819,697,636	(₱708,165)	(₱1,311,260,469)	₱8,030,226,667
Net loss	–	–	–	–	–	(35,088,380)	(35,088,380)
Other comprehensive income	–	–	–	1,380,277,050	2,499,622	–	1,382,776,672
Total comprehensive income (loss)	–	–	–	1,380,277,050	2,499,622	(35,088,380)	1,347,688,292
Balance at December 31, 2022	₱1,822,094,441	₱15,454,374	₱684,948,850	₱8,199,974,686	₱1,791,457	(₱1,346,348,849)	₱9,377,914,959
Balance at December 31, 2022	₱1,822,094,441	₱15,454,374	₱684,948,850	₱8,199,974,686	₱1,791,457	(₱1,346,348,849)	₱9,377,914,959
Net Income	–	–	–	–	–	12,363,194	12,363,194
Other comprehensive income (loss)	–	–	–	460,092,450	(2,463,077)	–	457,629,373
Total comprehensive income (loss)	–	–	–	460,092,450	(2,463,077)	12,363,194	469,992,567
Balance at December 31, 2023	₱1,822,094,441	₱15,454,374	₱684,948,850	₱8,660,067,136	₱671,620	(₱1,333,985,652)	₱9,847,907,529

See accompanying Notes to Financial Statements.



EAGLE RIDGE GOLF AND COUNTRY CLUB, INC.
STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2023	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Income (loss) before income tax	₱13,735,687	(₱34,582,626)	(₱46,615,777)
Adjustments to reconcile loss before income tax to net cash flows:			
Depreciation (Note 9)	62,605,519	57,934,718	56,774,591
Interest expense (Note 13)	600,254	3,636,693	4,546,930
Movement in pension liability (Note 16)	2,997,466	2,506,241	(237,372)
Interest income (Note 4)	(380,779)	(87,263)	(67,387)
Net unrealized foreign exchange loss (gain)	5,008	(47,259)	(24,195)
Income before working capital changes	79,563,155	29,360,504	14,376,790
Decrease (increase) in:			
Receivables	(3,176,268)	(228,591)	1,899,752
Supplies	(3,534,337)	(3,898,638)	(928,421)
Other assets	(6,023,974)	(449,002)	(210,098)
Increase (decrease) in:			
Accounts payable and other current liabilities	(18,290,591)	66,851,054	37,044,855
Other noncurrent liabilities	123,877	271,252	(506,894)
Net cash generated from operations	48,661,862	91,906,579	51,675,984
Interest received	380,779	87,263	67,387
Income tax paid, including creditable withholding taxes	(799,075)	(629,828)	–
Net cash flows from operating activities	48,243,566	91,364,014	51,743,371
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of property and equipment (Note 9)	(53,278,629)	(38,827,895)	(31,415,773)
Proceeds from disposal of property and equipment (Note 9)	–	–	311,235
Net cash flows used in investing activities	(53,278,629)	(38,827,895)	(31,104,538)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS			
	(5,008)	47,259	24,195
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(5,040,071)	52,583,378	20,663,028
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	111,193,738	58,610,360	37,947,332
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	₱106,153,667	₱111,193,738	₱58,610,360

See accompanying Notes to Financial Statements.



EAGLE RIDGE GOLF AND COUNTRY CLUB, INC.

NOTES TO THE FINANCIAL STATEMENTS

1. General Information

Corporate Information

Eagle Ridge Golf and Country Club, Inc. (the Club) is incorporated on December 9, 1996. The Club is engaged primarily to maintain, manage and carry on a social and recreation club in the Municipality of General Trias, Province of Cavite, for amusement, entertainment, instruction and recreation of its members.

The development of the golf course complex (the Complex) of the Club is covered by the following Memorandum of Agreements (MOAs): (1) October 10, 1994 MOA between Alsons Land Corporation (ALC) and Sta. Lucia Realty and Development Inc. (SLRDI), referred together as the “Joint Venture Partners” and, the Club’s major shareholders; and (2) the June 17, 1997 MOA among Joint Venture Partners and the Club.

Under the foregoing MOAs, ALC will contribute to the Club about 306.73 hectares of land to be developed by SLRDI into golf courses, complete with clubhouse and amenities. In exchange for the land and development works, the Club will remit to the Joint Venture Partners the proceeds from the sale of the Club shares. The 1997 MOA also provides that in the event that not all of the shares are sold in the 2-year offering period, the unsold shares shall be allocated to the landowner and developer and shall be considered as full payment for the golf areas and development (see Note 11).

The registered office address of the Club is Crisanto Delos Reyes Rd. Brgy. Javalera, General Trias, Cavite.

Status of Operations and Management’s Action Plans

The Club has incurred net income amounting to ₱12.36 million in the period ended December 31, 2023 while the Club incurred net loss amounting to ₱35.09 million, and ₱46.62 million for the years ended December 31, 2022 and 2021, respectively. Further, as of December 31, 2023 and 2022, the Club’s deficit amounted to ₱1.33 billion and ₱1.35 billion, respectively. Also, the Club’s current liabilities already exceeded its current assets by ₱242.74 million and ₱276.96 million as of December 31, 2023 and 2022, respectively.

The Club’s current liabilities consist significantly of liabilities from related parties. Management believes that the creditors, especially its related parties, will not immediately demand for payment. The Club’s Joint Venture Partners have expressed their commitment not to demand payment for at least 12 months from the balance sheet date. Thus, the financial statements are prepared on a going concern basis.

Authorization and Approval for Issuance of Financial Statements

The financial statements were authorized and approved for issue by the Board of Directors (BOD) of the Club on April 11, 2024

2. Basis of Preparation and Material Accounting Policy Information

Basis of Preparation

The financial statements of the Club have been prepared on the historical cost basis, except for land, which has been measured at revalued amount. The financial statements are presented in Philippine



peso, which is the Club's functional and presentation currency. All values are rounded off to the nearest peso, except when otherwise indicated.

Statement of Compliance

The financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRSs).

Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2023. The Club has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new standards did not have an impact on the financial statements of the Club.

- Amendments to PAS 1 and PFRS Practice Statement 2, *Disclosure of Accounting Policies*
- Amendments to PAS 8, *Definition of Accounting Estimates*
- Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to PAS 12, *International Tax Reform – Pillar Two Model Rules*

Future Changes in Accounting Policies

Pronouncements issued but not yet effective are listed below. The Club intends to adopt the following pronouncements when they become effective. Adoption of these pronouncements is not expected to have a significant impact in the Club's financial statements.

Effective beginning on or after January 1, 2024

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of exchangeability*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Club continues to assess the impact of the above new and amended accounting standards and interpretations effective subsequent to December 31, 2023. Additional disclosures required by these new and amended accounting standards and interpretations will be included in the financial statements when they are adopted.

Material Accounting Policy Information

The material accounting policy information adopted in the preparation of the financial statements are set out below:

Fair Value Measurement

The Club measures land at fair value at each reporting date. The Club also discloses the fair values of financial instruments.



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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Club.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Club uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Club determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level of input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External appraisers are involved for the significant assets such as certain items under property and equipment. Involvement of external appraisers is decided every three to five years. In cases wherein significant changes in fair value of the assets are expected during the year, the Club would recognize an annual involvement of external appraisers. The Club decides, after discussions with the external appraisers, which valuation techniques and inputs to use for each case.

At each reporting date, the Club analyzes the movement in the value of the assets which are required to be remeasured or reassessed based on the Club's accounting policies. For this analysis, the Club verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The Club, in conjunction with the external appraisers, also compares the change in the fair value of each asset with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Club has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.



Financial Instruments

A financial instrument is any contract that gives rise to financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement. Financial assets are classified, at initial recognition, and subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI), and fair value through profit or loss (FVPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Club's business model for managing them. The Club initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Club's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement. For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVPL

The Club has no financial assets at FVPL and FVOCI.

Financial assets at amortized cost (debt instruments). This category is most relevant to the Club. The Club measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective 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 SPPI on the principal amount outstanding

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Club's financial assets at amortized cost includes cash in banks and cash equivalents and receivables.

Impairment of financial assets. The Club recognizes an allowance for ECLs for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Club expects to receive, discounted at an



approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For cash in banks, the Club applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Club's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. To estimate the ECL, the Club uses the ratings published by a reputable rating agency.

For receivables, the Club applies a simplified approach in calculating ECLs. Therefore, the Club does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Club has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to debtors and the economic environment.

Generally, the Club considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Club may also consider a financial asset to be in default when internal or external information indicates that the Club is unlikely to receive the outstanding contractual cash flows in full before taking into account any credit enhancements held by the Club. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement. Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Club's financial liabilities consist of accounts payable and other current liabilities which are classified as loans and borrowings.

The Club has no financial liabilities at FVPL or derivative liabilities designated as hedging instruments.

Subsequent measurement. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as interest expense in profit or loss.

Derecognition of financial assets and financial 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 primarily derecognized (i.e. removed from the statement of financial position) when:

- The Club's rights to receive cash flows from the asset have expired; or
- The Club has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and;



- Either (a) the Club has transferred substantially all the risks and rewards of the asset, or (b) the Club has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Club has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Club continues to recognize the transferred asset to the extent of the Club's continuing involvement. In that case, the Club also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Club has retained.

Financial liability. A financial liability is derecognized when the obligation under the liability is discharged or cancelled, or expires. 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of comprehensive income.

Supplies

Supplies are stated at the lower of cost and net realizable value (NRV). Costs incurred in bringing each product to its present location and conditions are determined using the first-in, first-out method. NRV is the current replacement cost.

Other Current Assets

Other current assets pertain to input taxes and prepayments. Prepayments represent expenses paid in advance. Prepayments are apportioned over the period covered by the payment and charged to the appropriate accounts in profit or loss when incurred.

Land at Revalued Amount

Land located at Eagle Ridge Golf and Residential Estate, Barangays Tractora and Javalera, General Trias, Cavite, wherein the golf courses were developed, are carried at latest revalued amounts as determined by an independent firm of appraisers. The appraisal increment resulting from the revaluation was credited to "Revaluation increment on land" account, net of the related deferred income tax liability, shown in the equity section of the statement of financial position and statement of changes in equity, except to the extent that it reverses a revaluation decrease of the same asset previously recognized as impairment loss in the statement of comprehensive income, in which case the increase is recognized as part of profit or loss in the statement of comprehensive income.

A revaluation decrease is recognized in the statement of comprehensive income, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation reserve.

Upon disposal, the relevant portion of the revaluation increment realized in respect of the previous valuation will be released from the revaluation increment directly to retained earnings. Decreases that offset previous increases in respect of the same property are charged against the revaluation increment; all other decreases are charged against current operations. The Club obtains an updated appraisal report if there are indicators that the value of the properties may have significantly changed.

Property and Equipment

Property and equipment is stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and any accumulated impairment in value. Such cost consists of the purchase price and any directly attributable costs of bringing the property and equipment to its



location and condition necessary for it to be capable of operating in the manner intended by management for its intended use. The cost of replacing a part is included if the recognition criteria are met. Likewise, when major repairs and maintenance is performed, its cost is recognized in the carrying amount of the item of property and equipment as a replacement if the recognition criteria are satisfied. Such major repairs and maintenance is capitalized and depreciated over the next major repairs and maintenance activity. All other repair and maintenance is recognized in the statement of comprehensive income as incurred.

Depreciation are calculated using the straight-line method over the following estimated useful lives:

	No. of Years
Land improvements:	
Fairways and other golf course developments	42 years
Sand bunkers	15 years
Greens and tees	15 years
Building and improvements:	
Main structure	16 to 38 years
Improvements	10 to 78 years
Clubhouse landscaping	10 years
Facilities equipment	2 to 5 years
Kitchen equipment	2 to 5 years
Furniture and fixtures	2 to 5 years
Transportation equipment	5 years

Each component of an item of property and equipment with a cost that is significant in relation to the total cost of the item of property and equipment is depreciated separately.

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 property and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income in the year the property and equipment is derecognized.

The residual values, useful lives and depreciation method are reviewed at each reporting date to ensure that the residual values, periods and the method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

Fully depreciated property and equipment are retained in the accounts until they are no longer in use.

Impairment of Nonfinancial Assets

The Club assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the Club makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount 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. When the carrying amount of an asset or CGU 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 pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is



used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies, or other available the fair value indicators.

The Club bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Club's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognized in profit or loss in the expense category consistent with the function of the impaired asset, except for land which was previously revalued with the revaluation taken to other comprehensive income (OCI). For land, the impairment is recognized in OCI up to the amount of any previous revaluation.

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 recoverable amount is estimated. 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, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of comprehensive income unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Pension Liability and Employee Benefits

Defined Benefit Plan. The pension liability is the present value of the defined benefit obligation at the end of the reporting period. The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.

Pension costs comprise the following:

- Service cost
- Interest on defined benefit liability
- Remeasurements of defined benefit liability

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuary.

Interest on the pension liability is the change during the period in the pension liability that arises from the passage of time which is determined by applying the discount rate based on government bonds to the pension liability. Interest on the pension liability is recognized as part of interest expense in profit or loss.

Remeasurements comprising actuarial gains and losses are recognized immediately in OCI in the period in which they arise.

Employee Leave Entitlement. Employee entitlements to annual leave are recognized as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled



wholly before 12 months after the end of the annual reporting period is recognized for services rendered by employees up to the end of the reporting period.

Equity

Capital stock consists of no par value common stock and is measured at stated value. When the shares are sold at premium, the difference between the proceeds and the par value is credited to the “Additional paid-in capital” account.

Subscription receivable representing uncollected consideration from members for subscription of shares, are reflected as deduction from capital stock in the statement of changes in equity. Cancellation of shares are measured based on the original consideration paid by the member and is reflected as deduction in capital stock and related subscription receivable.

Issuances of a specific number of the Club’s equity instruments in exchange for land and golf course development costs arising from contracts are classified in equity.

Deficit represents accumulated excess of expenses over members’ contributions and fees.

Revenue Recognition

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at amount that reflects the consideration to which the Club expects to be entitled in exchange for those goods and services. The Club has generally concluded that it is principal in its revenue arrangements because it typically controls the goods and services before transferring them to the customer.

The Club assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Club has concluded that, except for Pro-shop sales and Revenue from concessionaires, it is the principal in all of its revenue arrangements since it is the primary obligor in the revenue arrangements, has pricing latitude and is also exposed to inventory risk.

Membership fees. Members are given the advantages and opportunities to use the Club’s facilities free of charge in exchange of contribution through payment membership fees. Revenue from membership fees is recognized over time using the agreed transaction price between the Club and the members because the member simultaneously receives and consumes the benefits provided by the Club. The Club elects the practical expedient to recognize revenue based on amounts invoiced to the members, since this method of measuring progress best depicts the performance provided.

Membership fees consist of the following:

- Members’ contributions represent monthly dues that are billed one month in advance and are recognized when earned.
- Admission fees represent revenue from the admission of member and is recognized upon activation of membership.
- Transfer and assignment fees represent income from registration of transfer of ownership of a golf share in the Club’s stock and transfer book. Revenues are recognized when related service is rendered and ownership has been transferred.
- Playing rights represent annual fee that is recognized upon assignment of playing rights.
- Change in corporate nominee represent fee to change nominee of corporate shareholder and is recognized when the related service is rendered and corporate nominee has been changed.

Green fees. Revenue from the use of the Club’s golf course is recognized over time, that is when services are rendered and amenities are used.



Revenue from concessionaires. Revenues derived from entities allowed to do business within the Club premises are recognized over time. Commission is computed as 10% of the food and beverage sales of the concessionaire net of applicable discount and VAT.

Revenue from sports and recreation operations. Revenue from the use of the Club's facilities is recognized over time, that is when facilities are used.

Contract balances

Contract assets. A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Club performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Receivables. A receivable represents the Club's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities. A contract liability is the obligation to transfer goods or services to a customer for which the Club has received consideration (or an amount of consideration is due) from the customer. If the customer pays consideration before the Club transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Club performs under the contract.

Other Income

Golf cart and bucket rental income. Income derived from the rental of golf carts and golf balls in the driving range is recognized when used.

Interest income. Revenue is recognized as the interest accrues, taking into account the effective yield on the asset.

Costs and Expenses Recognition

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or decrease of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants. Costs and expenses are recognized in the statement of comprehensive income in the period these are incurred.

Leases

The Club assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Short-term leases. The Club applies the short-term lease recognition exemption to its short-term leases of office spaces and parking slots (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

The Club as a lessor

Leases in which the Club does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the



carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Foreign Currency-denominated Transactions

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition.

Cash denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in profit or loss.

Taxes

Current income tax. Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the statement of financial position date. Current income tax for current and prior periods shall, to the extent unpaid, be recognized as a liability and is presented as “Income tax payable” in the statement of financial position. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess shall be recognized as an asset and is presented as part of “Other current assets” in the statement of financial position.

Deferred income tax. Deferred income tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred income tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of transaction, affects neither the accounting profit nor taxable income; or
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized to the extent that it is probable that taxable income will be available against which the deductible temporary differences and carryforward benefits of excess MCIT and NOLCO can be utilized, except as summarized below.

- When the deferred income tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable income; or
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable income will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at the end of each statement of financial position 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 income tax assets to be utilized.



Unrecognized deferred income tax assets are reassessed at each statement of financial position date and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to 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 the end of the reporting period.

Income tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred income tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred income tax assets and liabilities are offset, if a legally enforceable right exists to offset current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same tax authority.

Value-added tax. Revenues, expenses, and assets are recognized net of the amount of value-added tax (VAT), if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the statement of financial position to the extent of the recoverable amount.

Provisions

General provisions. Provisions are recognized when the Club has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying the economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. When the Club expects same or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income, net of any reimbursement.

Contingencies

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

Income (Loss) per Share

Basic income (loss) per share amounts are calculated by dividing loss for the year by the weighted average number of ordinary shares outstanding during the year.

The effect of any potential ordinary shares is not included in the computation of loss per share because it is considered antidilutive.

Segment Reporting

Operating segments are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Financial information on operating segments is presented in Note 21 to the financial statements.



Events after the Reporting Date

Post year-end events that provide additional information about the Club's financial position at the financial reporting date (adjusting events), if any, are reflected in the financial statements. However, post year-end events that are not adjusting events are disclosed in the notes to financial statements when material.

3. **Significant Accounting Judgments, Estimates and Assumptions**

The preparation of the Club's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgment

In the process of applying the Club's accounting policies, management has made the following judgment, which have the most significant effect on the amounts recognized in the financial statements:

Management's use of going concern assumption

Management believes that with the commitment from their Joint Venture Partners to not demand payment for at least 12 months from the balance sheet date, the Club will be able to continue as a going concern. Accordingly, the financial statements have been prepared on a going concern basis of accounting.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Club based its estimates and assumptions on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments however, may change due to market changes or circumstances arising beyond the control of the Club. Such changes are reflected in the assumptions when they occur.

Estimating fair value of land

The Club's land is carried in the financial statements at revalued amount. The Club has established a process by which measurement of fair values of the land is in place for financial reporting purposes. This primarily involves the expertise of an independent valuer.

The valuer normally considers certain unobservable inputs and valuation adjustments to provide a reasonable indication of the fair value. Any significant changes to these inputs and adjustments could significantly affect the amount of the fair value of the land. Valuation reports are conducted every two to three years or whenever management has identified any significant change in the status and condition of the asset. The Club engaged an independent valuation specialist to assess the fair value of the land. The value of the land was estimated by using the "Sales Comparison Approach". This is a comparative approach to value that considers the properties offered for sale and the related market data and establishes a value estimate by processes involving comparisons and adjusted for the marketability, nature, bargaining allowance, location and size of the properties. Significant increase (decrease) in estimated price per square meter would result in a significantly higher (lower) fair value.



Further information about the assumptions made in measuring fair values is included in Notes 8 and 19.

Provision for expected credit losses of receivables

The Club uses a provision matrix to calculate ECLs for receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Club's historical observed default rates. The Club calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analyzed.

The assessment of the correlation between observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Club's historical credit loss experience and forecast of economic conditions may also not be representative of the customer's actual default in the future.

The carrying values of receivables amounted to ₱15.54 million and ₱12.93 million as of December 31, 2023 and 2022, respectively. Allowance for impairment of receivables amounted to ₱79.46 million and ₱78.75 million as of December 31, 2023 and 2022, respectively (see Note 5).

Estimation of useful lives of property and equipment

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

There was no change in the estimated useful lives as of December 31, 2023 and 2022. The carrying amount of property and equipment amounted to ₱704.83 million and ₱725.77 million as of December 31, 2023 and 2022, respectively (see Note 9).

Determination of impairment of nonfinancial assets

An impairment review should be performed when certain impairment indicators are present. Determining the value in use of property and equipment which requires the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets, requires the Club to make estimates and assumptions that can materially affect the financial statements.

Based on management's evaluation, the Club's property and equipment is not impaired as of December 31, 2023 and 2022. The carrying amount of property and equipment amounted to ₱704.83 million and ₱725.77 million as of December 31, 2023 and 2022, respectively (see Note 9).

Land is carried at revalued amount. The appraised value of land, as determined by an SEC-accredited and independent firm of appraiser, amounted to ₱12,269.13 million and ₱11,655.68 million as of December 31, 2023 and 2022, respectively (see Note 8).



Estimation of pension liability

The cost of defined benefit pension plans as well as the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future pension increases. The mortality rate is based on publicly available mortality tables for the specific country and is modified accordingly with estimates of mortality improvements. Future salary increases and pension increases are based on expected future inflation rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

Pension liability amounted to ₱22.52 million and 17.06 million as of December 31, 2023 and 2022, respectively (see Note 16).

Recognition of deferred income tax assets

Deferred income tax assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable income will be available against which the differences can be utilized. Significant management judgment is required to determine the amount of deferred income tax assets that can be recognized, based upon the likely timing and level of future taxable income.

The Club did not recognize deferred income tax assets on carryforward benefits of NOLCO and MCIT and other temporary differences as of December 31, 2023 and 2022, because management believes that it is not probable that future taxable income will be available against which these deferred income tax assets can be applied with (see Note 17).

Evaluation of legal contingencies

The estimate of probable costs for the resolution of possible claims has been developed in consultation with outside legal counsel handling the Club's defense in these matters and is based upon an analysis of potential results. As of April 11, 2024, the Club is involved in certain cases arising in the ordinary course of business, which are pending in courts or under protest. Management and its legal counsels believe that the Club has substantial legal and factual bases for its position and is of the opinion that losses arising from this legal action, if any, will not have a material impact on the Club's financial position and results of operations. It is possible, however, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of strategies relating to these proceedings.

4. **Cash and Cash Equivalents**

	2023	2022
Cash on hand	₱360,000	₱360,000
Cash in banks	105,719,483	110,762,092
Cash equivalents	74,184	71,646
	₱106,153,667	₱111,193,738

Interest income earned from cash in banks amounted to ₱380,779 in 2023, ₱87,263 in 2022 and ₱67,387 in 2021.



5. Receivables

	2023	2022
Members	₱84,496,690	₱79,600,240
Others (Note 13)	10,502,677	12,079,463
	94,999,367	91,679,703
Less allowance for ECL	(79,462,209)	(78,745,395)
	₱15,537,158	₱12,934,308

Receivables from members are noninterest-bearing and generally have 30 to 90 days' term.

Other receivables are noninterest-bearing and generally have 60 to 90 days' term which includes receivables from landowner and developer and advances to employees.

Movements in the allowance for ECL are as follows:

	2023	2022
Balance at beginning of year	₱78,745,395	₱79,541,429
Provision (see Note 15)	1,909,034	-
Amounts written-off against ECL	(1,192,220)	(796,034)
Balance at end of year	₱79,462,208	₱78,745,395

6. Supplies - at NRV

	2023	2022
Operating supplies	₱439,571	₱1,621,878
Golf equipment supplies	12,262,117	7,545,473
	₱12,701,688	₱9,167,351

Cost of supplies charged to profit or loss amounted to ₱7.56 million in 2023, ₱5.87 million in 2022 and nil in 2021. The costs of supplies carried at net realizable value are as follows:

	2023	2022
Operating supplies	₱1,371,236	₱2,553,543
Golf equipment supplies	13,234,209	8,517,565
	₱14,605,445	₱11,071,108

Allowance for inventory obsolescence amounted to ₱1.90 million as of December 31, 2023 and 2022.

7. Other Current Assets

	2023	2022
Current portion of net input VAT	₱15,488,199	₱11,656,691
Prepayments	999,019	1,010,373
	₱16,487,218	₱12,667,064



Input VAT will be utilized through application against the Club's output VAT. Noncurrent portion of input VAT, which is presented as part of "Other noncurrent assets" in the statements of financial position amounted to ₱17.01 million and ₱21.80 million as of December 31, 2023 and 2022, respectively. Input VAT has no expiration period.

8. Land at Revalued Amount

	2023	2022
Acquisition cost	₱722,375,819	₱722,375,819
Revaluation increment	11,546,756,181	10,933,299,581
Appraised value	₱12,269,132,000	₱11,655,675,400

The carrying values of the 3,067,283 square meters of land as at December 31, 2023 and 2022 were revalued to its market value based on the valuation performed by a professional qualified, independent and SEC-accredited appraiser. The latest valuation date is as of December 31, 2023.

Movements in revaluation increment on land, net of deferred income tax effect, are as follows:

	2023	2022
Balance at beginning of year	₱10,933,299,581	₱9,092,930,181
Increase in revalued amount	613,456,600	1,840,369,400
Balance at end of year	11,546,756,181	10,933,299,581
Deferred income tax effect (Note 17)	(2,886,689,045)	(2,733,324,895)
	₱8,660,067,136	₱8,199,974,686



9. Property and Equipment

2023											
	Land Improvements			Building and Improvements							Total
	Fairways and Other Golf Course Developments	Sand Bunkers	Greens and Tees	Main Structure	Improvements	Clubhouse Landscaping	Facilities Equipment	Kitchen Equipment	Furniture and Fixtures	Transportation Equipment	
	Cost										
Balance at beginning of year	₱1,330,877,218	₱23,294,823	₱10,597,312	₱115,860,472	₱72,886,817	₱30,460,229	₱228,369,097	₱5,440,729	₱26,896,938	₱6,059,152	₱1,850,742,787
Additions	-	-	-	-	-	-	37,446,582	-	2,053,342	2,168,929	41,668,853
Disposals	-	-	-	-	-	-	(7,428,750)	-	-	-	(7,428,750)
Balance at end of year	1,330,877,218	23,294,823	10,597,312	115,860,472	72,886,817	30,460,229	258,386,929	5,440,729	28,950,281	8,228,081	1,884,982,890
Accumulated Depreciation											
Balance at beginning of year	735,828,286	23,294,823	10,597,312	84,386,679	30,359,023	30,460,229	174,714,738	5,440,729	26,144,729	3,744,755	1,124,971,303
Depreciation	31,372,730	-	-	4,090,558	1,836,447	-	24,139,735	-	386,900	779,149	62,605,519
Disposals	-	-	-	-	-	-	(7,428,750)	-	-	-	(7,428,750)
Balance at end of year	767,201,016	23,294,823	10,597,312	88,477,237	32,195,470	30,460,229	191,425,723	5,440,729	26,531,629	4,523,904	1,180,148,072
Net Book Value	₱563,676,202	₱-	₱-	₱27,383,235	₱40,691,347	₱-	₱66,961,206	₱-	₱2,418,652	₱3,704,177	₱704,834,818

2022											
	Land Improvements			Building and Improvements							Total
	Fairways and Other Golf Course Developments	Sand Bunkers	Greens and Tees	Main Structure	Improvements	Clubhouse Landscaping	Facilities Equipment	Kitchen Equipment	Furniture and Fixtures	Transportation Equipment	
	Cost										
Balance at beginning of year	₱1,330,877,218	₱23,294,823	₱10,597,312	₱115,860,472	₱72,886,817	₱30,460,229	₱205,746,864	₱5,440,729	₱26,489,658	₱5,824,861	₱1,827,478,983
Additions	-	-	-	-	-	-	22,622,233	-	407,280	1,663,334	24,692,847
Disposals	-	-	-	-	-	-	-	-	-	(1,429,043)	(1,429,043)
Balance at end of year	1,330,877,218	23,294,823	10,597,312	115,860,472	72,886,817	30,460,229	228,369,097	5,440,729	26,896,938	6,059,152	1,850,742,787
Accumulated Depreciation											
Balance at beginning of year	704,455,557	23,294,823	10,597,312	80,435,617	28,383,077	30,460,229	154,966,183	5,440,729	25,717,947	4,714,154	1,068,465,628
Depreciation	31,372,729	-	-	3,951,062	1,975,946	-	19,748,555	-	426,782	459,644	57,934,718
Disposals	-	-	-	-	-	-	-	-	-	(1,429,043)	(1,429,043)
Balance at end of year	735,828,286	23,294,823	10,597,312	84,386,679	30,359,023	30,460,229	174,714,738	5,440,729	26,144,729	3,744,755	1,124,971,303
Net Book Value	₱595,048,932	₱-	₱-	₱31,473,793	₱42,527,794	₱-	₱53,654,359	₱-	₱752,209	₱2,314,397	₱725,771,484



The cost of fully depreciated property and equipment amounting to ₱228.45 million and ₱217.34 as of December 31, 2023 and 2022, respectively, are still being used in operations. Proceeds from disposal amounted to ₱0.31 million in 2021 (nil in 2022 and 2023).

Outstanding unpaid equipment acquisition amounted to ₱11.61 million and ₱25.74 million as of December 31, 2022 and 2021, respectively (nil as of December 31, 2023). This is treated as a non-cash investing activity in the statements of cash flows.

10. Accounts Payable and Other Current Liabilities

	2023	2022
Trade payables:		
Third parties	₱24,012,771	₱16,905,471
Related parties (Note 13)	180,263	234,727
Accrued expenses (Note 13)	177,615,375	232,558,984
Contract liabilities (Notes 14 and 20)	69,689,687	63,438,809
Refundable deposits	42,885,676	38,938,018
Advances from joint venture partners (Note 13)	23,800,687	23,800,687
Tournament and other fees	30,804,722	28,818,988
Statutory liabilities	765,799	296,513
Others	23,864,427	17,927,326
	₱393,619,407	₱422,919,523

Trade, accrued expenses and other current liabilities are noninterest-bearing and normally have an average term of less than one year. Accrued expenses mainly represent unpaid acquisitions of property and equipment, accruals for utilities, salaries, wages and allowances and other employee benefits. Others consist of brokers' fees and other expenses.

Refundable deposits include initial deposits from prospective members who cancelled the subscription of their shares and will be returned upon demand. This also includes deposit from assignment of playing rights and will be returned when the assignees no longer renew the playing rights. Playing rights are only for a two-year period but may be renewed.

Contract liabilities represent (a) monthly dues and other fees that are collected in advance, (b) paid but unused green fee vouchers which may be used to pay for green fees. These are realized when earned.

11. Shares Allocated to Landowner and Developer

Shares allocated to landowner and developer represents the value of unissued shares to the landowner and developer in exchange for the Complex as mentioned in Note 1. As at December 31, 2023 and 2022, details are as follows:

SLDRI	₱569,869,515
ALC	115,079,335
	₱684,948,850



As discussed in Note 1, ALC contributed to the Club about 306.73 hectares of land to be developed by SLRDI into golf courses, complete with clubhouse and amenities. In exchange for the land and development, the Club will remit the proceeds of the sale of the Club's shares allocated to the Joint Venture as payment for the Complex. In the event that not all of the shares are sold in the 2-year offering period, the unsold shares shall be allocated to the landowner and developer and shall be considered as full payment for the golf areas and development. The Complex was designed with a cost estimate equivalent to the expected proceeds from the sale of Club's shares. At the time of the inception of the MOA, the Club shares were selling at the average price of ₱1.287 million per share.

There are 1,291 unsold and unissued shares allocated to the Joint Venture as of December 31, 2023 and 2022. Proceeds from the sale of these shares will be remitted to the landowner.

12. Capital Stock and Basic Loss Per Share

As at December 31, 2023 and 2022, Capital stock consists of:

Capital stock, no par value:	
Class "A" common stock (inclusive of seven Founders' shares)	
Authorized, - 3,600 shares	
Issued and outstanding - 3,128 shares*	₱1,140,267,595
Class "B" common stock	
Authorized, - 1,400 shares	
Issued and outstanding - 889 shares*	334,120,531
Class "C" commons	
Authorized - 1,000 shares	
Issued and outstanding, 692 shares*	347,706,315
	<hr/>
	₱1,822,094,441

**Does not include the 1,291 unsold and allocated shares to the Joint Venture (see Note 11).*

Capital stock is held by a total of 2,048 stockholders as of December 31, 2023 and 2022.

Capital stock consists of no par value common stock divided into Class A, B and C shares. Class "A" common shares, inclusive of Founders' shares, may be sold to citizens of the Philippines or to partnerships, corporations or associations, of which at least 60% of the outstanding capital stock entitled to vote is owned or controlled by citizens of the Philippines. Every holder of class "A" common share shall be entitled to one (1) membership in the Club. Class "A" shares can vote in the election of the members of the BOD.

Class "B" common shares may be sold to any individual, corporation, partnership or association, irrespective of nationality. Every holder of class "B" common share shall be entitled to one (1) membership in the Club, but cannot vote in the election of the members of the BOD nor be voted as one of the directors of the Club.

Class "C" common shares are special corporate shares which may be sold to corporations, partnerships or associations irrespective of their nationality or citizenship. Every holder of class "C" shares shall be entitled to one (1) membership in the Club, with two (2) playing rights, but cannot vote in the election of the members of the BOD.



Ownership of all shares of stock of the Club is subject to the following restrictive conditions:

- a. Except for the seven (7) Founders' shares, voting rights of the rest of the shares will initially be suspended. Five (5) years from and after the full operation of the Club, the voting rights of the rest of the common shares shall automatically be revived, thus, putting the Founders' shares on equal footing in all respects with the Common Class "A" shares. Provided, however, the Founders' shares exclusive right to vote and be voted for in the election of directors shall be limited for a period of five (5) years from the date of incorporation of the Club. On October 21, 2008 the voting rights of the common shares were revived.
- b. No transfer of shares of stock of the Club which will reduce the stock ownership of Filipino citizens to less than the minimum percentage of the outstanding capital stock required by law to be owned by Filipino citizens shall be allowed or permitted to be recorded in the books of the Club. This restriction shall be printed or indicated in all the certificates of stocks to be issued by the Club. Any transfer made in violation hereof shall be null and void.
- 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 assets of the Club at the time of its dissolution or liquidation.
- d. No share of the Club hereafter issued shall be sold or transferred by the registered holder thereof except shares that were issued due to a sale of a lot (accompanying shares of lots) until such holder shall have first offered such shares for sale to the Club at a price not less than the book value of such shares as shown by the Club's audited financial statements as of the end of its calendar year next preceding the date of such offer.
- e. In case of foreclosure by the pledge or mortgagee of the shares of stockholders in the Club, the pledgee/mortgagee shall, in event of inability of the pledgor or mortgagor to meet his obligations under the terms of the pledge or chattel mortgage, notify the Club in writing of the date, time and place of the foreclosure sale and of the nature and amount of obligation secured by the pledge or mortgage, which sale shall be conducted not earlier than fifteen (15) days from the date the Club received written notice thereof. The Club shall have the right to purchase the auctioned shares, within thirty (30) days from the award, by paying in cash the price paid for by the winning bidder and expenses of sale incurred by the latter.
- f. All Founding and Regular members and such non-members to whom the BOD may, by appropriate resolution, extend the privilege of using the Club's facilities in accordance with Article IV Section 2-3 of Amended By-laws shall be subject to the payment of monthly dues in such amount as may be prescribed by resolution of the BOD to meet the expenses for the general operations of the Club, and the maintenance and improvement of its premises and facilities.

The landowner and developer of the Club, who acquired their shares through a primary offering, or original subscription, and/or in payment of developments, however, shall begin paying the membership dues on their shares only upon activation of the membership attached to the shares or upon the transfer of shares, whichever comes earlier. However, in the latter case of transfer of shares, the transferee shall be liable for all dues and assessments on the shares subject of the transfer.

- g. In case any stockholder shall violate the provisions of the Articles of Incorporation or the By-laws or rules and regulations of the Club or resolutions duly promulgated by the BOD or stockholders, or commit any other act or conduct which the BOD may deem injurious to the interest or hostile to the objects of the Club, such stockholder may be expelled by the BOD in the



manner provided in the By-laws upon proper notice and hearing, and he shall then cease to be a 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 Club shall have a period of ninety (90) days from the expulsion of the stockholder to make payment of his share. In case the share is an accompanying share of a lot, the value of the lot will be determined by an independent appraiser acceptable to the stockholder and to the BOD, and upon such payment the stockholder shall forthwith transfer and assign the share held by him as directed by the Club, and upon such payment the stockholder shall forthwith transfer and assign the share held by him as directed by the Club.

- h. In addition to the preceding provisions, the accompanying share of a lot is subject to the prohibition that it cannot be sold, transferred or encumbered separately from the lot. Any violation of this provision is null and void and shall not be recorded in the books of the Club. This prohibition shall appear in the certificates of stock of such shares.

Membership of the Club consists of regular, assignee, honorary and founding members.

Regular Members. Regular members are natural persons who are registered shareowners and the duly designated representatives of juridical entities in whose name the share certificates have been issued. Regular members shall be entitled to use the facilities of the Club, provided, however, that only individual Members and Corporate Nominees shall have the right to vote and be voted at the election of directors.

Assignee Members. Assignee members are natural persons who are assignees of certain rights enjoyed by the stockholders of the Club, and must also pass the qualifications of the Club for individual memberships. Assignee members shall be entitled to use the facilities of and the privileges extended by the Club.

Honorary Members. Honorary membership shall be automatically extended only to the following incumbent public officers, the President of the Philippines, the Governor of Cavite and the Mayor of the Municipality of Gen. Trias, Cavite and such individual persons hereafter designated by the BOD.

Founding Members. Founding members shall be composed of the original incorporators or subscribers of the Club who are holders of founders' share. Founding members who are owners of founders' shares have the sole right to vote within a period of five (5) years from the time of full operation of the Club. After the initial five-year period has elapsed, the voting rights of the rest of the common shares shall be revived, thus putting the founders' shares on equal footing in all respects with the Common Class "A" shares.

Basic Income (Loss) per Share

The following table presents information used to calculate income (loss) per share:

	2023	2022	2021
Net income (loss)	₱12,363,194	(₱35,088,380)	(₱46,615,777)
Number of shares	6,000	6,000	6,000
Income (loss) per share	₱2,061	(₱5,848)	(₱7,769)

Basic and diluted income (loss) per share are equal as the Club does not have any dilutive potential ordinary shares in 2023, 2022 and 2021.

For purposes of computing the loss per share, the shares allocated to the landowner and developer were included in the number of shares (see Note 11).



13. Related Party Transaction

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. These include: (a) individuals owning, directly or indirectly through one or more intermediaries, control, or are controlled by, or under common control with, the Club; (b) associates; and, (c) individuals owning, directly or indirectly, an interest in the voting power of the Club that gives them significant influence over the Club and close members of the family of any such individual.

The following transactions have been entered into with related parties:

Category	Terms	Conditions	Year	Amount/ Volume of Transactions	Outstanding Balance
SLDRI and ALC*					
Advances (see Note 10) (a)	Noninterest-bearing, payable on demand; and to be settled in cash	Unsecured	2023	₱-	(₱23,800,687)
			2022	-	(23,800,687)
			2021	-	(23,800,687)
Conal Corporation Legal Services Group					
Legal Consultation and Review Services (see Note 10) (b)	Noninterest-bearing, payable on demand; and to be settled in cash	Unsecured	2023	535,714	(180,263)
			2022	535,714	(234,727)
			2021	535,714	(184,727)
SLDRI*					
Accrued expenses (see Note 10) (c)	Interest-bearing, payable on demand; and to be settled in cash	Unsecured	2023	12,009,224	(163,378,501)
			2022	12,750,444	(175,477,725)
			2021	19,603,401	(188,228,169)
Receivable	Noninterest-bearing, payable on demand; and to be settled in cash	Unsecured; Not impaired	2023	-	4,174,792
			2022	-	4,174,792
			2021	-	4,174,792

* Joint venture partners and major shareholders of the Club

- a. This pertains to collection from sale of the Club's shares of stock Club remitted to the Club by the broker which is due to SLDRI and ALC.
- b. Conal Corporation Legal Services Group, an entity under the common control of shareholders of ALC, one of the Club's major shareholders, provides for consultations, review, advice and opinion on general law, contracts, corporation, tax, investments and other legal matters; preparation of short contracts and other documents required in the course of business of the Club which are recorded under "Professional fees".
- c. Accrual of expenses pertains to water billings, real property taxes paid by SLDRI in behalf of the Club, loans for the acquisitions of property and equipment, and accretion of interest.

Interest expense amounted to ₱0.6 million, ₱3.64 million, and ₱4.55 million in 2023, 2022, and 2021, respectively.

Compensation of Key Management Personnel

Compensation of key management personnel of the Club comprising of short-term employee benefits amounted to ₱6.07 million in 2023, ₱5.55 million in 2022, and ₱7.05million in 2021.



14. Revenue from Contracts with Customers and Other Income

Revenue from Contracts with Customers

Disaggregated Revenue Information

Set out below is the disaggregation of the Club's revenue from contracts with customers for the years ended December 31:

By timing of recognition	2023	2022	2021
Revenues recognized over time:			
Membership fees	₱127,220,566	₱99,733,745	₱104,559,726
Green fees	45,872,787	41,246,061	17,057,020
Revenues from concessionaires (Note 20)	3,205,616	2,419,247	1,236,658
Revenues from sports and recreation operations	880,905	1,108,928	178,258
Other golf revenues	35,014,287	9,922,736	2,821,459
Revenue from contracts with customers	212,194,161	154,430,717	125,853,121
Golf cart income	45,834,015	29,329,307	20,547,151
Bucket rental income	4,309,189	4,429,000	3,406,679
Total revenues	₱262,337,365	₱188,189,024	₱149,806,951

Breakdown of revenues are as follows:

a. Membership Fees

	2023	2022	2021
Members' contribution	₱94,349,066	₱84,497,245	₱74,404,940
Transfer and assignment fees	23,310,500	9,632,500	26,755,500
Admission fee	6,395,000	2,545,000	1,765,000
Change of corporate nominee	2,050,000	1,875,000	783,000
Playing rights	1,116,000	1,184,000	851,286
	₱127,220,566	₱99,733,745	₱104,559,726

b. Green Fees

	2023	2022	2021
Guest	₱40,125,465	₱34,824,186	₱16,994,520
Golf academy (Note 20)	5,747,322	6,421,875	62,500
	₱45,872,787	₱41,246,061	₱17,057,020

c. Revenues from Sports and Recreation Operations

	2023	2022	2021
Guest fees	₱833,613	₱1,011,780	₱125,928
Equipment rental	31,786	67,037	8,937
Admission fees	6,175	24,415	125
Tournament income	–	–	41,964
Others	9,331	5,696	1,304
	₱880,905	₱1,108,928	₱178,258



d. Other Golf Revenues

	2023	2022	2021
Rental income	₱27,678,571	₱4,613,095	₱-
Income from golf insurance	3,506,166	2,104,353	1,192,654
Tournament income	310,089	164,196	-
Others	3,519,461	3,041,092	1,628,805
	₱35,014,287	₱9,922,736	₱2,821,459

Contract Balances

The Club's contract liabilities as at December 31, 2023 and 2022 amounted to ₱69.69 million and ₱63.44 million, respectively, representing advance payments from members for their membership dues (see Note 10).

The Club has no contract assets as of December 31, 2023 and 2022.

Performance Obligations

The Club's outstanding performance obligation as at December 31, 2023 and 2022 represents the advance payments from members. Revenue recognized in 2023 and 2022 from uncompleted performance obligation in the previous period amounted to ₱36.54 million and ₱22.13 million, respectively.

Other Income (Expenses)

	2023	2022	2021
Remeasurement of other noncurrent liabilities	(₱103,866)	(₱265,943)	₱539,677
Unrealized foreign exchange gain (loss) - net	(5,008)	47,259	24,195
Others	25,161,864	780,620	3,121,735
	₱25,052,990	₱561,936	₱3,685,607

Other income (expenses) pertains to the reversal of accruals. The Club reversed certain accruals as management believes that payment of these liabilities is no longer probable.

15. **Costs and Expenses**

	2023	2022	2021
Employee salaries, wages and benefits	₱60,945,716	₱47,079,903	₱39,506,643
Taxes and licenses	35,884,253	32,750,975	24,055,452
Repairs and maintenance	49,225,200	31,695,377	25,781,297
Light and water	19,155,539	15,013,064	13,124,960
Security services	13,425,570	11,526,377	11,140,240
Operating supplies	8,069,576	6,362,685	3,770,321
Travel and transportation	5,756,865	5,720,491	6,879,728
Professional fees	2,717,105	3,030,391	5,037,780
Commission	2,044,362	1,631,347	1,103,322

(Forward)



	2023	2022	2021
Provision for ECL	₱1,909,034	₱–	₱–
Laundry services	752,124	273,711	–
Rent	500,000	160,000	–
Communication	317,483	320,116	245,672
Advertising and promotions	297,457	211,369	94,265
Other expenses	9,829,389	6,073,632	8,114,521
	₱210,829,674	₱161,849,438	₱138,854,201

Others include expenses relating members' meeting, insurance, bank charges and other administrative expenses of the Club which are not individually material.

Employee salaries, wages and benefits consist of the following:

	2023	2022	2021
Salaries, wages and allowances	₱38,117,150	₱29,390,508	₱22,696,467
Employee benefits	19,755,365	14,768,173	13,595,645
Pension costs (Note 16)	3,073,201	2,921,222	3,214,531
	₱60,945,716	₱47,079,903	₱39,506,643

16. Pension Liability

Under the existing regulatory framework, Republic Act (RA) No. 7641, *The Philippine Retirement Pay Law*, requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided however that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan.

The Club accrues pension benefits covering all of its regular employees based on the provisions of RA No. 7641. The benefits are based on the years of service and compensation of the employees. The Club does not maintain a fund for its retirement benefit obligation.

An independent actuary, using the projected unit credit method, conducts an actuarial valuation of the estimated retirement benefits. The latest actuarial valuation is as of December 31, 2023.

Movements in the present value of defined benefit obligation are as follows:

	2023	2022	2021
Balance at beginning of year	₱17,055,917	₱17,049,298	₱21,612,228
Pension costs recognized in profit or loss:			
Current cost	1,908,876	2,093,652	2,491,089
Interest cost	1,164,325	827,570	723,442
	3,073,201	2,921,222	3,214,531
Remeasurement loss (gain) recognized in OCI	2,463,077	(2,499,622)	(4,325,558)
Pension benefits paid	(75,735)	(414,981)	(3,451,903)
Balance at end of year	₱22,516,460	₱17,055,917	₱17,049,298



The principal assumptions used in determining pension liability are shown below:

	December 31, 2023	December 31, 2022	December 31, 2021
Discount rates	6.07%	7.14%	5.00%
Future salary increases	8.00%	8.00%	8.00%

The discount rate is derived by discounting all expected benefit payments using various rates that correspond to the timing of benefits payments, after which, a single discount rate is computed considering the aggregate amount of all discounted values.

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as of the end of the reporting period, assuming if all other assumptions were held constant:

	Increase (Decrease)	Increase (Decrease) in Present Value of Defined Benefit Obligation	
		2023	2022
Discount rates	1%	(₱1,542,742)	(₱1,443,075)
	(1%)	1,746,244	1,640,984
Future salary increase rate	1%	1,795,477	1,656,284
	(1%)	(1,615,884)	(1,485,272)

The average duration of the defined benefit obligation at the end of the reporting period is 7.52 years and 6.78 years as of December 31, 2023 and 2022, respectively.

Shown below is the expected future benefit payment:

Payment period	2023	2022
Within one year	₱2,505,470	₱1,421,952
More than one year to five years	9,612,685	8,522,977
More than five year to ten years	20,237,275	15,620,542
More than ten years to fifteen years	18,019,670	18,846,910
More than 15 years to 20 years	17,664,350	16,052,444
Beyond 20 years	20,219,014	17,632,279

17. Income Taxes

- a. The 2023 and 2022 provision for current income tax represents MCIT.

On June 20, 2023, the Bureau of Internal Revenue issued Revenue Memorandum Circular (RMC) No. 69-2023 reverting the Minimum Corporate Income Tax (MCIT) rate to 2% of gross income effective July 1, 2023 pursuant to Republic Act (RA) No. 11534, otherwise known as the “Corporate Recovery and Tax Incentives for Enterprises (CREATE)” Act. MCIT rate was previously reduced from 2% to 1% effective July 1, 2020 to June 30, 2023 upon the effectivity of CREATE Act in 2021.

Consequently, the Company recognized MCIT using the effective rate of 1.5% in 2023 in accordance with RMC 69-2023.



- b. The Club’s deferred income tax liability pertains to the revaluation increment on the Club’s land amounting to ₱2,886.69 million and ₱2,733.32 million as at December 31, 2023 and 2022, respectively (see Note 8).
- c. As at December 31, 2023 and 2022, details of the carryforward benefits of NOLCO and MCIT and other deductible temporary differences for which deferred income tax assets were not recognized as the Club management believes that it is not probable that taxable income will be available against which these deferred income tax assets can be applied are as follows:

	2023	2022
NOLCO	₱162,985,759	₱165,111,725
MCIT	1,878,247	505,754
Temporary differences arising from:		
Allowance for ECL	79,462,208	78,745,395
Contract liabilities	69,689,687	63,438,809
Pension liability	22,516,460	17,055,917
Other noncurrent liabilities	9,155,231	9,031,354

- d. Last September 11, 2020, the President of the Philippines signs into law the “Bayanihan to Recover as One Act 2” or “Bayanihan 2”, an act in response to COVID-19 to accelerate the recovery and bolster the resiliency of the Philippine economy.

Unless otherwise disqualified from claiming the deduction, the business or enterprise which incurred net operating loss for taxable years 2020 and 2021 shall be allowed to carry over the same as a deduction from its gross income for the next five consecutive taxable years immediately following the year of such loss. The net operating loss for said taxable years may be carried over as a deduction even after the expiration of RA No. 11494 provided the same are claimed within the next five consecutive taxable years immediately following the year of such loss.

As of December 31, the Club has incurred NOLCO before taxable year 2020 and after taxable year 2021 which can be claimed as deduction from the regular taxable income for the next three (3) consecutive taxable years, as follows:

Year Incurred	Available Until	Balance as at December 31, 2022	Addition	Balance as at December 31, 2023
2022	2025	₱26,164,601	₱–	₱26,164,601

As of December 31, the Club has incurred NOLCO in taxable year 2020 to 2021 which can be claimed as deduction from the regular taxable income for the next five (5) consecutive taxable years pursuant to the Bayanihan to Recover As One Act, as follows:

Year Incurred	Available Until	Balance as at December 31, 2022	Addition/ (Application)	Balance as at December 31, 2023
2020	2025	₱66,950,708	(₱2,125,966)	₱64,824,742
2021	2026	71,996,416	–	71,996,416
		₱138,947,124	(₱2,125,966)	₱136,821,158



The carryforward benefits of excess MCIT over RCIT that can be claimed as deduction from future regular taxable income are as follows:

Year Incurred	Available Until	Balance as at December 31, 2021	Addition	Balance as at December 31, 2022
2022	2025	₱505,754	₱-	₱505,754
2023	2026	-	1,372,493	1,372,493
		₱505,754	₱1,372,493	₱1,878,247

- e. The reconciliation of the income tax computed by applying the statutory income tax rate to loss before income tax with the provision for income tax as shown in profit or loss follows:

	2023	2022	2021
Provision for (benefit from) income tax at statutory rate	₱3,433,922	(₱8,645,657)	(₱11,653,944)
Change in unrecognized deferred income tax assets recognized in profit or loss	4,510,521	12,430,688	18,558,031
Income tax effects of permanent differences:			
Nontaxable income	(34,715,001)	(24,310,909)	(26,308,376)
Nondeductible expenses	28,238,246	21,053,448	19,421,136
Interest income subjected to final tax	(95,195)	(21,816)	(16,847)
	₱1,372,493	₱505,754	₱-

18. Financial Instruments

Financial Risk Management Objectives and Policies

The Club's principal financial instruments comprise cash in banks and receivables. The main purpose of these financial instruments is to finance the Club's operations. The Club has other financial instruments such as accounts payable and other current liabilities, which arise directly from its operations.

The main risks arising from the Club's financial instruments are credit risk and liquidity risk. The Members and the BOD review and approve on the policies of managing each of the risks and they are summarized in the next page.

Credit risk. Credit risk arises when one party to a financial instrument will fail to discharge an obligation and cause the Club to incur a financial loss. The Club trades only with recognized, creditworthy third parties. It is the Club's practice that all members are subject to credit verification procedures.

The Club's exposure to credit risk related primarily to the collection of members' monthly dues. The Club's policy is to monitor the receivable balances on an ongoing basis. It is the Club's policy that any individual or corporation who wishes to become a member or assignee is to be subjected to strict membership qualification screening.



The table below shows the maximum exposure to credit risk for the Club's financial assets without taking account of any collateral and other credit enhancements:

	2023	2022
Cash and cash equivalents*	₱105,793,667	₱110,833,738
Receivables**	13,026,618	10,184,064
Total credit risk exposure	₱118,820,285	₱121,017,802

*Excluding cash on hand amounting to ₱360,000 in 2023 and 2022.

**Excludes advances for business expenses and advances to employees totaling to ₱2,510,540 and ₱2,750,244 as at December 31, 2023 and 2022, respectively.

For cash and cash equivalents, the Club applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Club's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Club uses the ratings from the external credit rating agencies to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs. The Club's cash in banks are deposited in reputable banks with low credit risk.

For receivables, an impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by customer type or by payors). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if the account is at least 180 days past due and are deemed uncollectible after subjecting to all possible collection effort activities.

The following tables below summarize the credit quality of the Club's financial assets (gross of allowance for impairment losses) as at December 31:

	2023					
	Current			Past Due (1-90 Days)	Credit Impaired	Total
	Minimal Risk	Average Risk	High Risk			
Cash and cash equivalents*	₱105,793,667	₱-	₱-	₱-	₱-	₱105,793,667
Receivables**	7,654,466	-	-	5,372,152	79,462,209	92,488,827
	₱113,448,133	₱-	₱-	₱5,372,152	₱79,462,209	₱198,282,494

*Excluding cash on hand amounting to ₱360,000 as at December 31, 2023.

**Excludes advances for business expenses and advances to employees totaling to ₱2,510,540 as at December 31, 2023.

	2022					
	Current			Past Due (1-90 Days)	Credit Impaired	Total
	Minimal Risk	Average Risk	High Risk			
Cash and cash equivalents*	₱110,833,738	₱-	₱-	₱-	₱-	₱110,833,738
Receivables**	4,996,224	-	-	5,187,840	78,745,395	88,929,459
	₱115,829,962	₱-	₱-	₱5,187,840	₱78,745,395	₱199,763,197

*Excluding cash on hand amounting to ₱360,000 as at December 31, 2022.

**Excludes advances for business expenses and advances to employees totaling to ₱2,750,244 as at December 31, 2022.

The Club classifies credit quality risk as follows:

Minimal risk - accounts with a high degree of certainty in collection, where counterparties have consistently displayed prompt settlement practices, and have little to no instance of defaults or discrepancies in payment.



Average risk - active accounts with minimal to regular instances of payment default, due to ordinary/common collection issues, but where the likelihood of collection is still moderate to high as the counterparties are generally responsive to credit actions initiated by the Club.

High risk - accounts with low probability of collection and can be considered impaired based on historical experience, where counterparties exhibit a recurring tendency to default despite constant reminder and communication, or even extended payment terms.

The following tables below summarize the staging considerations of the Club's financial assets (other than receivables subject to provision matrix) as at December 31:

	Year	Stage 1 (12-Month ECL)	Stage 2 (Lifetime ECL)	Stage 3 (Credit Impaired)	Total
Cash and cash equivalents*	2023	₱105,793,667	₱-	₱-	₱105,793,667
	2022	₱110,833,738	₱-	₱-	₱110,833,738

*Excludes cash on hand amounting to ₱360,000 as at December 31, 2023 and 2022.

Set out below is the information about the credit risk exposure on receivables using a provision matrix as of December 31:

	2023				Total
	Current	Past Due		Credit Impaired	
		1-90 Days	> 90 Days		
Expected credit loss rate	0%	0%	0%	100%	86%
Estimated total gross carrying amount at default	₱7,654,466	₱5,372,152	₱-	₱79,462,209	₱92,488,827
Total expected credit loss	₱-	₱-	₱-	₱79,462,209	₱79,462,209

	2022				Total
	Current	Past Due		Credit Impaired	
		1-90 Days	> 90 Days		
Expected credit loss rate	0%	0%	0%	100%	89%
Estimated total gross carrying amount at default	₱4,996,224	₱5,187,840	₱-	₱78,745,395	₱88,929,459
Total expected credit loss	₱-	₱-	₱-	₱78,745,395	₱78,745,395

Liquidity risk. Liquidity risk is defined as the risk that the Club will encounter difficulty in meeting obligation associated with financial liabilities that are settled by delivering cash or other financial instrument. Exposure to liquidity risk increases because of the possibility that the Club could be required to pay its liabilities earlier than expected.

The Club's objectives to manage its liquidity profile are: (a) to ensure that adequate funding is available at all times; (b) to meet commitments as they arise without incurring unnecessary costs; and, (c) to be able to access funding when needed at the least possible cost.

The Club manages its liquidity risk by maintaining a financial strategy that the scheduled debts are well within the Club's ability to generate cash from its business operations. It is Club's policy that management monitors the Club's liquidity position on a monthly basis.



The tables below summarize the maturity profile of the Club's financial liabilities based on contractual undiscounted payments.

	2023			Total
	Due and Demandable	Less than 3 Months	More than 3 Months	
Cash and cash equivalents	₱106,079,483	₱74,184	₱-	₱106,153,667
Receivables*	-	7,654,466	5,372,152	13,026,618
	106,079,483	7,728,650	5,372,152	119,180,285
Trade	-	24,193,034	-	24,193,034
Accrued expenses	-	14,236,874	163,378,501	177,615,375
Refundable deposits	42,885,676	-	-	42,885,676
Advances from joint venture partners	-	-	23,800,687	23,800,687
Others	-	54,669,149	-	54,669,149
	42,885,676	93,099,057	187,179,188	323,163,921
Liquidity gap	₱63,193,807	(₱85,370,408)	(₱181,807,036)	(₱203,983,636)

*Excludes advances for business expenses and advances to employees totaling to ₱2,510,540 as at December 31, 2023.

	2022			Total
	Due and Demandable	Less than 3 Months	More than 3 Months	
Cash and cash equivalents	₱111,112,092	₱71,646	₱-	₱111,193,738
Receivables*	-	4,996,224	5,187,840	10,184,064
	111,112,092	5,067,870	5,187,840	121,377,802
Trade	-	17,140,198	-	17,140,198
Accrued expenses	-	57,081,259	175,477,725	232,558,984
Refundable deposits	38,938,018	-	-	38,938,018
Advances from joint venture partners	-	-	23,800,687	23,800,687
Others	-	46,746,314	-	46,746,314
	38,938,018	120,967,771	199,287,412	359,184,201
Liquidity gap	₱72,174,074	(₱115,899,901)	(₱194,090,572)	(₱237,806,399)

*Excludes advances for business expenses and advances to employees totaling to ₱2,750,244 as at December 31, 2022.

The Club believes that the creditors, especially related parties, will not immediately demand for payment. In the event that these are demanded for payment, the Club can access financing through borrowings and support from the joint venture partners.

Capital Management

The primary objective of the Club's capital management is to safeguard the Club's ability to continue as a going concern, so that it can continue to provide services for its members and other stakeholders.

The Club manages the capital structure and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Club may issue new shares or return capital to member. No changes were made in the objectives, policies and process from the previous years.

The Club also monitors capital on the basis of the debt-to-equity ratio. This ratio is calculated as total liabilities divided by total equity. The Club's strategy, which was unchanged from prior periods, was to maintain the debt-to-equity ratio at a manageable level.



	2023	2022
Total current liabilities	₱393,619,407	₱422,919,523
Total noncurrent liabilities	2,918,360,736	2,759,412,166
Total liabilities (a)	3,311,980,143	3,182,331,689
Total equity (b)	9,847,907,529	9,377,914,959
Debt-to-equity ratio (a/b)	0.33:1	0.34:1

The Club considers the following as its capital as of December 31:

	2023	2022
Capital stock	₱1,822,094,441	₱1,822,094,441
Additional paid-in capital	15,454,374	15,454,374
Shares allocated to landowner and developer	684,948,850	684,948,850
Advances from joint venture partners, including accrued liabilities	187,179,188	199,278,412
Revaluation increment on land - net of tax	8,660,067,136	8,199,974,686
Remeasurement gain (loss) on pension liability	(671,620)	1,791,457
Deficit	(1,333,609,857)	(1,346,348,849)
	₱10,035,462,512	₱9,577,193,371

19. Fair Values

Details of assets measured at fair value as at December 31, 2023 and 2022 are as follows:

	Date of Valuation	Total	Level 1 (Quoted Prices in Active Markets)	Level 2 (Significant Observable Input)	Level 3 (Significant Unobservable Input)
Land	December 31, 2023	₱12,269,132,000	₱-	₱-	₱12,269,132,000
	December 31, 2022	₱11,655,675,400	₱-	₱-	₱11,655,675,400

The value of the land was estimated using the “Market Approach”. This is a comparative approach to value that considers the properties offered for sale and the related market data and establishes a value estimate by processes involving comparisons and adjusted for the marketability, nature, bargaining allowance, location and size of the properties. The most significant input into this valuation approach is price per square meter; i.e., the higher the price per square meter, the higher the fair value.

The table below summarizes the significant unobservable inputs in the valuation of land held by the Club:

Significant unobservable input	2023	2022	Interrelationship between significant unobservable input and fair value measurement
Selling price of identical piece of land	₱8,500 to ₱12,495 per square meter	₱8,500 to ₱12,000 per square meter	The estimated fair value would increase (decrease) if the price per square meter increase (decrease)
External factor adjustments	-10%	-10%	The estimated fair value would increase (decrease) if the external factor adjustments per square meter increase (decrease)
Internal factor adjustments	-5% to - 65%	-50% to -60%	The estimated fair value would increase (decrease) if the internal factor adjustments per square meter increase (decrease)



The Club has determined that the highest and best use of the land, recreational development and utility, is its current use.

Other financial assets and liabilities

The carrying value of the Club's cash in banks, receivables and accounts payable and other current liabilities approximate their fair values as at December 31, 2023 and 2022 due to the short-term nature of these financial instruments.

20. Commitments

Concession Agreements

On September 1, 2015, the Club entered into a concession agreement with Interpro Food Specialist, Inc. (IFSI) for a period of three (3) years, however on September 15, 2016, Champions Bar (CB) bought the contract of Interpro, where CB shall serve as the Food and Beverage (F&B) concessionaire up until the unexpired portion of Interpro's contract until August 31, 2018.

On October 1, 2018, the Club entered into a new concession agreement with Elaine Kitchenette and Chef Elmer Foods Solutions Corporation. Both agreements have a contract term of three (3) years commencing on October 1, 2018 until September 30, 2021. The contract with Chef Elmer Foods Solutions Corporation was renewed for another 3 years starting October 1, 2021 subject to concessioner fee of 10% of sales, net of VAT. On the other hand, the contract with Elaine Kitchenette was renewed for one year starting October 1, 2021 subject to concessionaire fee of 5% of sales, net of VAT. It was renewed for another one year starting October 1, 2022 and it was renewed for another 2 years starting October 1, 2023.

Whereas the Concessionaire shall cater the Food and Beverage operation in the following outlets Main Club House, Aoki Club House, Dye Club House, Sports Club House, 9 Tee Houses and all the banquet requirements. The Revenue Share of the Club shall be 10% F&B Sales net of applicable discounts and sales priced at food cost.

Revenue from concessionaires amounted to ₱3.20 million in 2023, ₱2.42 million in 2022 and ₱1.24 million in 2021 and is included in "Revenues from concessionaires" in the revenues section of profit or loss (see Note 14).

Sales Agency Agreement

The Club entered into a Sales Agency Agreement with OUM Golf Academy (OUM), whereby the Club agrees to allow OUM to be the Club's exclusive sales agent for the Club's golf round packages for specific use of individuals learning golf or improving their golf skills. The original contract was for a term of three (3) years starting April 1, 2009. The Club renewed the agreement for another 3 years starting April 1, 2012 and provides that OUM shall pay the Club the amount of ₱21.00 million in advance. On April 1, 2015 the Club again renewed the agreement for another year and ended March 31, 2016. Starting April 1, 2016, the club's income from Golf Academy consists of tuition fees that the club receives from various schools and enrollees. This is in lieu of the expired contract as mentioned above.

Revenues from Golf Academy amounted to ₱5.75 million in 2023, ₱6.42 million in 2022 and ₱0.06 million in 2021 and is included in "Green fees" in the revenues section of profit or loss (see Note 14).



21. Segment Information

The Club has only one segment which pertains to its golf course operations. Information regarding the Club's business segment is presented below.

Earnings information:

	2023	2022	2021
Revenues	₱262,337,365	₱188,189,024	₱149,806,951
Costs and expenses	(210,829,674)	(161,849,438)	(138,854,201)
Depreciation	(62,605,519)	(57,934,718)	(56,774,591)
Interest expense	(600,254)	(3,636,693)	(4,546,930)
Interest income	380,779	87,263	67,387
Other income	25,052,990	561,936	3,685,607
Income taxes	(1,372,493)	(505,754)	–
Net income/ (loss)	₱12,363,194	(₱35,088,380)	(₱46,615,777)

Other information:

	2023	2022
Segment assets	₱13,159,887,672	₱12,560,246,648
Segment liabilities	3,311,980,143	3,182,331,689
Capital expenditures	41,668,853	24,692,847

Cash flow information:

	2023	2022	2021
Operating activities	₱48,243,566	₱91,364,014	₱51,743,371
Investing activities	(53,278,629)	(38,827,895)	(31,104,538)
Effect of exchange rate on cash	(5,008)	47,259	24,195
	(₱5,040,071)	₱52,583,378	₱20,663,028

22. Other Matters

Supreme Court (SC) Decision on Membership Fees

On August 13, 2019, the SC under SC GR No. 228539 issued a decision whether the membership fees, assessment dues and fees of similar in nature collected by clubs which are organized and operated exclusively for pleasure, recreation and other non-profit purposes subject to income tax and VAT.

Under this ruling, as long as the 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 club's general operations and facilities, the fees cannot be classified as income subject to tax. In addition, the SC supported the position that these fees are not subject to VAT because in collecting such fees, the club is not selling its service to the members. Conversely, the members are not buying services from the club when dues are paid. Hence, there is no economic or commercial activity to speak of as these dues are devoted for the operations and maintenance of the facilities of the club.



Accordingly, starting 2020, upon clarification of the decision, the Club has not been charging VAT on its membership dues. These are also being exempt from income tax.

23. Supplementary Information Required Under Revenue Regulations No. 15-2010

The Club reported and/or paid the following types of taxes in 2023:

Value-added Tax (VAT)

Net Receipts and Output VAT declared in the Club's VAT returns for 2023:

	Net Receipts	Output VAT
<u>Taxable receipts:</u>		
Membership fees:		
Members' contribution	₱1,749,500	₱209,940
Transfer and assignment fees	—	—
Green fees	92,134,388	11,056,127
Other golf revenues	33,430,133	4,011,616
Pro-shop sales	955,814	114,698
Revenues from sports and recreation operations	883,806	106,057
<u>Total taxable receipts</u>	<u>₱129,153,641</u>	<u>₱15,498,437</u>
<u>Exempt:</u>		
Members' contribution	₱60,430,264	₱—

The Club's taxable receipts reported in the VAT returns are based on actual collections received, hence, may not be the same as the amounts accrued in the statement of comprehensive income.

As of December 31, 2023, the details of the Club's input VAT follow:

	Input VAT
Balance at beginning of year	₱33,454,964
Purchases subject to input VAT	14,537,015
Application of output VAT	(15,498,437)
<u>Balance at end of year</u>	<u>₱32,493,542</u>

Taxes and Licenses

Real property taxes	₱31,235,845
Permits and licenses	4,648,408
	<u>₱35,884,253</u>

Excise Tax

The Club's products are not subject to excise tax, thus, there was no excise tax paid in 2023.



Withholding Taxes

The Club's withholding taxes paid and accrued as of and for the year ended December 31, 2023 are as follows:

Tax on compensation and benefits	₱446,513
Expanded withholding taxes	890,105
Final withholding taxes	80,635
	<hr/>
	₱1,417,253
	<hr/>

Tax Assessments and Cases

As of December 31, 2023, the Club has not received any Final Assessment Notice and/or Formal Letter of Demand from the Bureau of Internal Revenue for any of its open years as of reporting date.



INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Eagle Ridge Golf and Country Club, Inc.
Crisanto Delos Reyes Rd., Brgy. Javalera
General Trias, Cavite

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Eagle Ridge Golf and Country Club, Inc. (the Club) as at December 31, 2023 and 2022 and for each of the three years in the period ended December 31, 2023, and have issued our report thereon dated April 11, 2024. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Club's management. These schedules are presented for the purpose of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Djole S. Garcia

Partner

CPA Certificate No. 0097907

Tax Identification No. 201-960-347

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

BIR Accreditation No. 08-001998-102-2021, September 16, 2021, valid until September 15, 2024

PTR No. 10079941, January 5, 2024, Makati City

April 11, 2024



EAGLE RIDGE GOLF AND COUNTRY CLUB, INC.

INDEX TO THE SUPPLEMENTARY SCHEDULES

DECEMBER 31, 2023

Supplementary schedules required by Annex 68-J:

- Schedule A. Financial Assets
- Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
- Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
- Schedule D. Long-term Debt
- Schedule E. Indebtedness to Related Parties
- Schedule F. Guarantees of Securities of Other Issuers
- Schedule G. Capital Stock



E A G L E R I D G E
GOLF AND COUNTRY CLUB, INC.

Doc. Code: FO-FIN-033
Revision No.: 0
Effective Date: Feb. 1, 2012

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

The management of **Eagle Ridge Golf and Country Club, Inc.** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2023 and 2022, 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 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 or members.

Sycip, Gorres, Velayo & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the company in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.

VICENTE R. SANTOS

Vice Chairman

EDITHA I. ALCANTARA
Treasurer
EXEQUIEL D. ROBLES

President

Signed this ___ day of _____



EAGLE RIDGE
GOLF AND COUNTRY CLUB, INC.

Doc. Code: FO-FIN-033
Revision No.: 0
Effective Date: Feb. 1, 2012

SUBSCRIBED AND SWORN to before me a Notary Public for and in the General Trias City, Cavite Philippines, this 11 APR 2024, affiants who are personally known to me and whose identity I have confirmed through their competent evidence of identity bearing the affiants photograph and signature.

COMPETENT		
NAMES	EVIDENCE OF IDENTITY	DATE AND PLACE ISSUED
Vicente R. Santos	Passport No. P7782826A	July 3, 2018; DFA, NCR East
Exequiel D. Robles	Passport No. P9712352B	April 22, 2022; DFA, NCR West
Editha I. Alcantara	Passport No. P5005115B	March 2, 2020; DFA, Manila

NOTARY PUBLIC

ATTY. VANESSA Q. GARINGO
Notary Public for Cavite

Until December 31, 2024
Roll No. 74549

PTR 0559808 - 1/3/2024 - Province of Cavite
IBP No. 418547 - 1/12/24 - Imus, Cavite
MCPE No. VII-0021971
73 Arnaldo St. Manggahan Gen. Trias City, Cavite
09171021239
vanessagaringo@gmail.com

Doc. No. 85;
Page No. 17;
Book No. 28;
Series of 2024.

COVER SHEET

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S.E.C. Registration Number

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

(Company's Full Name)

C r i s a n t o D E l o s R e y e s R d . B r g y .
 J a v a l e r a , G e n . T r i a s , C a v i t e

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

M A R I Z A S A N T O S - T A N

Contact Person

(0 2) 7 2 2 - 5 8 1 1

Company Telephone Number

0 6 3 0

Month *Day*
Quarter Ending

1 7 - Q

FORM TYPE

A N Y D A Y I N O C T O B E R

Month *Day*
Annual Meeting

R e g i s t r a t i o n o f S e c u r i t i e s N o . 0 3 6 S e r i e s o f 1 9 9 8

Secondary License Type, If Applicable

C F D

Dept. Requiring this Doc.

N . A .

Amended Articles Number/Section

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

| | | | | | | | | |

File Number

_____ LCU

| | | | | | | | | |

Document I.D.

_____ Cashier

S T A M P S

Remarks = pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17 (2) (b) THEREUNDER

1. For the quarterly period ended – June 30, 2024
2. Commission Identification Number – A1996-10826
3. BIR Tax Identification Number – 005-643-401 – V
4. **EAGLE RIDGE GOLF AND COUNTRY CLUB, INC.**
Exact name of issuer as specified in its charter
5. **Barangay Javalera, General Trias, Cavite**
Province, country or other jurisdiction of incorporation or organization
6. Industry Classification Code: (SEC Use Only)
7. **Barangay Javalera, General Trias, Cavite** 4107
Address of issuer's principal office Postal Code
8. **(046) 419-2852**
Issuer's telephone number, including area code
9. **Not Applicable**
Former name, former address and former fiscal year, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each class	Number of shares of common stock Outstanding and amount of debt Outstanding		
Class "A" Common Shares	3,128	-	Php 48.73M
Class "B" Common Shares	889	-	4.51M
Class "C" Common Shares	692	-	12.03M

11. Are any or all of the securities listed on a Stock Exchange?
 Yes No

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

12. Indicate by check mark whether the registrant:
 - (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 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 twelve (12) months (or for such shorter period the registrant was required to file such reports)
 Yes No
 - (b) has been subject to such filing requirements for the past ninety (90) days.
 Yes No

EAGLE RIDGE GOLF AND COUNTRY CLUB, INC.

**FINANCIAL STATEMENTS
(UNAUDITED)**

FOR THE SIX MONTHS ENDED JUNE 30, 2024 AND 2023

Philippine Pesos

EAGLE RIDGE GOLF & COUNTRY CLUB, INC.
(A Nonprofit Organization)
STATEMENTS OF FINANCIAL POSITION

	Unaudited		Audited	
	Six Months Ended June 30		December 31	
	2024	2023	2023	
ASSETS				
Current Assets				
Cash and cash equivalents (Note 6)	P 105,998,803	P 127,096,145	P 106,153,667	
Receivables-net (Notes 5 & 7)	21,184,941	17,856,955	15,537,158	
Inventories (Note 8)	9,945,366	11,392,552	12,701,688	
Input value-added tax and other current assets (Note 9)	25,822,987	20,093,308	16,487,218	
Total Current Assets	162,952,097	176,438,960	150,879,731	
Noncurrent Assets				
Land at appraised value (Note 10)	12,269,132,000	11,655,675,400	12,269,132,000	
Property & Equipment-net (Notes 5 & 11)	689,666,664	711,478,500	704,834,818	
Other noncurrent assets	48,622,049	38,422,592	35,041,123	
Total Noncurrent Assets	13,007,420,713	12,405,576,492	13,009,007,941	
	P 13,170,372,810	P 12,582,015,452	P 13,159,887,672	
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts Payable and other current liabilities (Notes 13 & 16)	P 406,388,331	P 448,535,071	P 393,619,407	
Income Tax Payable	-	-	-	
Total Current Liabilities	406,388,331	448,535,071	393,619,407	
Noncurrent Liabilities				
Accrued pension costs (Note 19)	22,117,674	17,839,988	22,516,460	
Asset retirement obligation (Note 14)	9,155,231	9,031,355	9,155,231	
Deferred Tax Liabilities	2,886,689,045	2,733,324,894	2,886,689,045	
Total Noncurrent Liabilities	2,917,961,950	2,760,196,237	2,918,360,736	
Members' Equity				
Capital Stock (Note 12 and 15)	1,822,094,441	1,822,094,441	1,822,094,441	
Additional paid-in capital	15,454,374	15,454,374	15,454,374	
Revaluation increment in land - net of tax (Note 10)	8,660,067,136	8,199,974,686	8,660,067,136	
Shares allocated to landowner and developer (Notes 12)	684,948,850	684,948,850	684,948,850	
Other Comprehensive Loss	(671,620)	1,791,457	(671,620)	
Deficit	(1,335,870,652)	(1,350,979,665)	(1,333,985,652)	
Equity	9,846,022,529	9,373,284,143	9,847,907,529	
	P 13,170,372,810	P 12,582,015,452	P 13,159,887,672	

See accompanying Notes to Financial Statements

EAGLE RIDGE GOLF AND COUNTRY CLUB, INC.
(A Nonprofit Organization)
STATEMENTS OF COMPREHENSIVE INCOME

	Six Months Ended June 30					
	2024		2023		2022	
REVENUES						
Membership fees (Note 17)	P	67,365,951	P	54,350,524	P	58,576,095
Green fees						
Guest Fee		33,387,097		25,175,201		14,129,531
Golf Academy		979,911		2,180,357		861,518
Other golf revenues (Note 17)		44,230,663		43,618,473		17,400,535
Income from concessionaires		1,881,249		1,713,735		1,004,876
Proshop sales		-		-		-
Income from sports and recreation operations (Note 17)		1,087,772		502,771		576,663
Others						
		148,932,643		127,541,061		92,549,218
COSTS AND EXPENSES (Note 18)		(118,351,053)		(99,967,741)		(81,663,823)
DEPRECIATION AND AMORTIZATION		(32,968,452)		(30,935,972)		(28,451,807)
INTEREST INCOME		436,191		105,333		34,516
INTEREST EXPENSE		(187,610)		(1,504,489)		(1,900,309)
OTHER INCOME/(EXPENSE)		253,281		130,992		356,576
LOSS BEFORE INCOME TAX	P	(1,885,000)	P	(4,630,816)	P	(19,075,629)
PROVISION FOR (BENEFIT FROM) INCOME TAX						
Current		-		-		-
Deferred		-		-		-
		-		-		-
NET COMPREHENSIVE INCOME (LOSS)	P	(1,885,000)	P	(4,630,816)	P	(19,075,629)

See accompanying Notes to Financial Statements

EAGLE RIDGE GOLF & COUNTRY CLUB, INC.
(A Nonprofit Organization)
STATEMENTS OF CHANGES IN EQUITY

	Unaudited		Audited			
	Six Months Ended June 30		December 31			
	2024	2023	2023			
CAPITAL STOCK, no par value						
Class "A" common stock (inclusive of 7 Founders' shares)						
Authorized						
Issued and subscribed:						
Balance at beginning of period	P	1,188,994,222	P	1,188,994,222	P	1,188,994,222
Additional subscription						
Reclassification						
Cancellation of subscription						
Interest on subscription receivable						
Balance at end of period		1,188,994,222		1,188,994,222		1,188,994,222
Subscription Receivable:						
Balance at beginning of period		(48,726,627)		(48,726,627)		(48,726,627)
Additional subscription						
Reclassification						
Cancellation of subscription						
Collection of subscription receivables						
Balance at end of period		(48,726,627)		(48,726,627)		(48,726,627)
		1,140,267,595		1,140,267,595		1,140,267,595
Class "B" Common stock						
Authorized						
Issued and subscribed:						
Balance at beginning of period	P	338,628,205		338,628,205		338,628,205
Additional subscription						
Reclassification						
Cancellation of subscription						
Interest on subscription receivable						
Balance at end of period		338,628,205		338,628,205		338,628,205
Subscription Receivable:						
Balance at beginning of period		(4,507,674)		(4,507,674)		(4,507,674)
Additional subscription						
Reclassification						
Cancellation of subscription						
Collections of subscription receivables						
Balance at end of period		(4,507,674)		(4,507,674)		(4,507,674)
		334,120,531		334,120,531		334,120,531
Class "C" Common stock						
Authorized						
Issued and subscribed:						
Balance at beginning of period	P	359,732,588		359,732,588		359,732,588
Additional subscription						
Cancellation of subscription						
Interest on subscription receivable						
Balance at end of period		359,732,588		359,732,588		359,732,588
Subscription Receivable:						
Balance at beginning of period		(12,026,273)		(12,026,273)		(12,026,273)
Additional subscription						
Cancellation of subscription						
Collection of subscription receivables						
Balance at end of period		(12,026,273)		(12,026,273)		(12,026,273)
		347,706,315		347,706,315		347,706,315
		1,822,094,441		1,822,094,441		1,822,094,441

EAGLE RIDGE GOLF & COUNTRY CLUB, INC.
(A Nonprofit Organization)
STATEMENTS OF CHANGES IN EQUITY

	Unaudited		Audited
	Six Months Ended June 30		December 31
	2024	2023	2023
ADDITIONAL PAID-IN CAPITAL	15,454,374	15,454,374	15,454,374
REVALUATION INCREMENT IN LAND	8,660,067,136	8,199,974,686	8,660,067,136
SHARE ALLOCATED TO LANDOWNER AND DEVELOI	684,948,850	684,948,850	684,948,850
REMEASUREMENT GAIN(LOSS)			
BENEFIT OBLIGATION			
Effect of adoption of PAS 19R - net of tax	(671,620)	1,791,457	(671,620)
Net Comprehansive income - net of tax			
	(671,620)	1,791,457	(671,620)
ACCUMULATED EXCESS (DEFICIT) OF			
REVENUES OVER EXPENSES			
Balance at beginning of year	(1,333,985,652)	(1,346,348,849)	(1,346,348,849)
Effect of adoption of PAS 19R - net of tax			
Excess of expenses over revenues and			
members' contributions during the			
year	(1,885,000)	(4,630,816)	12,363,197
Balance at end of period	(1,335,870,651)	(1,350,979,665)	(1,333,985,652)
	P 9,846,022,529	P 9,373,284,143	P 9,847,907,529

See accompanying Notes to Financial Statements

EAGLE RIDGE GOLF AND COUNTRY CLUB, INC.
(A Nonprofit Organization)

STATEMENTS OF CASH FLOWS

	Unaudited		Audited
	Six Months Ended June 30		December 31
	2024	2023	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Income (loss) before income tax	P (1,885,000)	P (4,630,816)	P 13,735,687
Adjustments for:			
Depreciation and amortization (Note 11)	32,968,453	30,935,972	62,605,519
Movements in pension liability	(398,786)	784,071	2,997,466
Interest expense			600,254
Interest income	(436,191)	(105,333)	(380,779)
Provision for deferred tax			
Net unrealized foreign exchange losses			5,008
Loss on write off of property and equipment			
Operating income before working capital changes	30,248,476	26,983,894	79,563,155
Decrease (increase) in:			
Receivables	(5,647,783)	(4,922,647)	(3,176,268)
Inventories	2,756,322	(2,225,201)	(3,534,337)
Input value-added tax and other current assets	(22,916,695)	(13,011,533)	(6,023,974)
Increase in Accounts payable and other current & noncurrent	12,768,925	25,615,549	(18,166,714)
Net cash generated from operations	17,209,245	32,440,062	48,661,862
Interest received	436,191	105,333	380,779
Interest tax paid, including creditable withholding tax			799,075
Net cash fom operating activities	17,645,436	32,545,395	48,243,566
CASH FLOWS FROM INVESTING ACTIVITIES			
Additional of property and equipment (Note 11)	(17,800,300)	(16,642,988)	(53,278,629)
Decrease (increase) in other noncurrent assets			
Proceeds from disposal of property and equipment			
Net cash used in investing activities	(17,800,300)	(16,642,988)	(53,278,629)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS			
			(5,008)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(154,864)	15,902,407	(5,040,071)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	106,153,667	111,193,738	111,193,738
CASH AND CASH EQUIVALENTS AT END OF PERIOD	P 105,998,803	P 127,096,145	P 106,153,667

See accompanying Notes to Financial Statements

EAGLE RIDGE GOLF AND COUNTRY CLUB, INC.
(A Nonprofit Organization)

NOTES TO FINANCIAL STATEMENTS

1. General Information

Corporate Information

Eagle Ridge Golf and Country Club, Inc. (the Club) is incorporated on December 9, 1996 with a corporate life of 50 years. The Club is engaged primarily to maintain, manage and carry on a social and recreation club in the Municipality of General Trias, Province of Cavite, for amusement, entertainment, instruction and recreation of its members.

The development of the golf course complex (the Complex) of the Club is covered by the following Memorandum of Agreements (MOAs): (1) October 10, 1994 MOA between Alsons Land Corporation (ALC) and Sta. Lucia Realty and Development Inc. (SLRDI), referred together as the "Joint Venture Partners" and, the Club's major shareholders; and (2) the June 17, 1997 MOA among Joint Venture Partners and the Club.

Under the foregoing MOAs, ALC will contribute to the Club about 306.73 hectares of land to be developed by SLRDI into golf courses, complete with clubhouse and amenities. In exchange for the land and development works, the Club will remit to the Joint Venture Partners the proceeds from the sale of the Club shares. The 1997 MOA also provides that in the event that not all of the shares are sold in the 2-year offering period, the unsold shares shall be allocated to the landowner and developer and shall be considered as full payment for the golf areas and development (see Note 12).

The registered office address of the Club is Crisanto Delos Reyes Rd. Brgy. Javalera, General Trias, Cavite.

2. Basis of Preparation and Summary of Significant Accounting Policies

Basis of Preparation

The financial statements of the Club have been prepared on the historical cost basis, except for land, which have been measured at revalued amount. The financial statements are presented in Philippine peso, which is the Club's functional and presentation currency. All values are rounded off to the nearest peso, except when otherwise indicated.

Statement of Compliance

The financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRSs).

Reporting Currency

The financial statements are presented in Philippine peso, which is the Club's functional and presentation currency under PFRS.

3. Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2022. The Club has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new standards did not have an impact on the financial statements of the Club.

- Amendments to PFRS 3, *Business Combinations, Reference to the Conceptual Framework*
- Amendments to PAS 16, *Property, Plant and Equipment: Proceeds before Intended Use*
- Amendments to PAS 37, *Onerous Contracts – Costs of Fulfilling a Contract*
- Annual Improvements to PFRSs 2018-2020 Cycle
 - Amendments to PFRS 1, *First-time Adoption of Philippines Financial Reporting Standards*,

- Subsidiary as a first-time adopter*
- o Amendments to PFRS 9, *Financial Instruments, Fees in the '10 per cent' test for derecognition of financial liabilities*
- o Amendments to PAS 41, *Agriculture, Taxation in fair value measurements*

Future Changes in Accounting Policies

Pronouncements issued but not yet effective are listed below. The Club intends to adopt the following pronouncements when they become effective. Adoption of these pronouncements is not expected to have a significant impact in the Club's financial statements.

Effective beginning on or after January 1, 2023

- Amendments to PAS 1 and PFRS Practice Statement 2, *Disclosure of Accounting Policies*
- Amendments to PAS 8, *Definition of Accounting Estimates*
- Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

Effective beginning on or after January 1, 2024

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Club continues to assess the impact of the above new and amended accounting standards and interpretations effective subsequent to December 31, 2022. Additional disclosures required by these new and amended accounting standards and interpretations will be included in the financial statements when they are adopted.

4. **Summary of Significant Accounting and Financial Reporting Policies**

Summary of Significant Accounting and Financial Reporting Policies

The significant accounting and financial reporting policies adopted in the preparation of the financial statements are set out below:

Current versus Noncurrent Classification

The Club presents assets and liabilities in the statement of financial position based on current or noncurrent classification. An asset is current when:

- It is expected to be realized or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realized within 12 months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability or at least 12 months after the reporting period.

All other assets are classified as noncurrent. A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within 12 months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The Club classifies all other liabilities as noncurrent.

Deferred income tax asset and liability is classified as noncurrent asset and liability, respectively. Pension asset and liability is classified as noncurrent asset and liability, respectively.

Fair Value Measurement

The Club measures land at fair value at each reporting date. The Club also discloses the fair values of financial instruments.

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Club.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Club uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Club determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level of input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External appraisers are involved for the significant assets such as certain items under property and equipment. Involvement of external appraisers is decided every three to five years. In cases wherein significant changes in fair value of the assets are expected during the year, the Club would recognize an annual involvement of external appraisers. The Club decides, after discussions with the external appraisers, which valuation techniques and inputs to use for each case.

At each reporting date, the Club analyzes the movement in the value of the assets which are required to be remeasured or reassessed based on the Club's accounting policies. For this analysis, the Club verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The Club, in conjunction with the external appraisers, also compares the change in the fair value of each asset with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Club has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Cash and Cash Equivalents

Cash includes cash on hand and in banks. These are carried in the balance sheet at face or nominal amount. Cash in bank earns interest at the prevailing bank deposit rates. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from the date of acquisition and that are subject to an insignificant risk of change in value.

Financial Instruments

A financial instrument is any contract that gives rise to financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement. Financial assets are classified, at initial recognition, and subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI), and fair value through profit or loss (FVPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Club's business model for managing them. The Club initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Club's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement. For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVPL

The Club has no financial assets at FVPL and FVOCI.

Financial assets at amortized cost (debt instruments). This category is most relevant to the Club. The Club measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective 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 SPPI on the principal amount outstanding

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Club's financial assets at amortized cost includes cash in banks and cash equivalents and receivables.

Impairment of financial assets. The Club recognizes an allowance for ECLs for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Club expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For cash in banks, the Club applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Club's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. To estimate the ECL, the Club uses the ratings published by a reputable rating agency.

For receivables, the Club applies a simplified approach in calculating ECLs. Therefore, the Club does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Club has established a provision matrix that is based on its historical credit loss

experience, adjusted for forward-looking factors specific to debtors and the economic environment.

Generally, the Club considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Club may also consider a financial asset to be in default when internal or external information indicates that the Club is unlikely to receive the outstanding contractual cash flows in full before taking into account any credit enhancements held by the Club. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement. Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Club's financial liabilities consist of accounts payable and other current liabilities which are classified as loans and borrowings.

The Club has no financial liabilities at FVPL or derivative liabilities designated as hedging instruments.

Subsequent measurement. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as interest expense in profit or loss.

Derecognition of financial assets and financial 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 primarily derecognized (i.e. removed from the statement of financial position) when:

- The Club's rights to receive cash flows from the asset have expired; or
- The Club has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and;
- Either (a) the Club has transferred substantially all the risks and rewards of the asset, or (b) the Club has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Club has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Club continues to recognize the transferred asset to the extent of the Club's continuing involvement. In that case, the Club also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Club has retained.

Financial liability. A financial liability is derecognized when the obligation under the liability is discharged or cancelled, or expires. 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of comprehensive income.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously. The Club assesses that it has a currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Club and all of the counterparties.

Inventories

Inventories are stated at the lower of cost and net realizable value (NRV). Costs incurred in bringing each product to its present location and conditions are determined using the first-in, first-out method. NRV is the current replacement cost.

Other Current Assets

Other current assets pertain to input taxes and prepayments. Prepayments represent expenses paid in advance. Prepayments are apportioned over the period covered by the payment and charged to the appropriate accounts in profit or loss when incurred.

Land at Revalued Amount

Land located at Eagle Ridge Golf and Residential Estate, Barangays Tractora and Javalera, General Trias, Cavite, wherein the golf courses were developed, are carried at latest revalued amounts as determined by an independent firm of appraisers. The appraisal increment resulting from the revaluation was credited to "Revaluation increment on land" account, net of the related deferred income tax liability, shown in the equity section of the statement of financial position and statement of changes in equity, except to the extent that it reverses a revaluation decrease of the same asset previously recognized as impairment loss in the statement of comprehensive income, in which case the increase is recognized as part of profit or loss in the statement of comprehensive income.

A revaluation decrease is recognized in the statement of comprehensive income, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation reserve.

Upon disposal, the relevant portion of the revaluation increment realized in respect of the previous valuation will be released from the revaluation increment directly to retained earnings. Decreases that offset previous increases in respect of the same property are charged against the revaluation increment; all other decreases are charged against current operations. The Club obtains an updated appraisal report if there are indicators that the value of the properties may have significantly changed.

Property and Equipment

Property and equipment is stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and any accumulated impairment in value. Such cost consists of the purchase price and any directly attributable costs of bringing the property and equipment to its location and condition necessary for it to be capable of operating in the manner intended by management for its intended use. The cost of replacing a part is included if the recognition criteria are met. Likewise, when major repairs and maintenance is performed, its cost is recognized in the carrying amount of the item of property and equipment as a replacement if the recognition criteria are satisfied. Such major repairs and maintenance is capitalized and depreciated over the next major repairs and maintenance activity. All other repair and maintenance is recognized in the statement of comprehensive income as incurred.

Depreciation is calculated using the straight-line method over the following estimated useful lives:

	<u>No. of Years</u>
Land improvements:	
Fairways and other golf course developments	42 years
Sand bunkers	15 years
Greens and tees	15 years
Building and improvements:	
Main structure	16 to 38 years
Improvements	10 to 78 years
Clubhouse landscaping	10 years
Facilities equipment	2 to 5 years
Kitchen equipment	2 to 5 years
Furniture and fixtures	2 to 5 years
Transportation equipment	5 years

Each component of an item of property and equipment with a cost that is significant in relation to the total cost of the item of property and equipment is depreciated separately.

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 property and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income in the year the property and equipment is derecognized.

The residual values, useful lives and depreciation method are reviewed at each reporting date to ensure that the residual values, periods and the method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

Fully depreciated property and equipment are retained in the accounts until they are no longer in use.

Impairment of Nonfinancial Assets

The Club assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the Club makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount 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. When the carrying amount of an asset or CGU 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 pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies, or other available the fair value indicators.

The Club bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Club's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognized in profit or loss in the expense category consistent with the function of the impaired asset, except for land which was previously revalued with the revaluation taken to other comprehensive income (OCI). For land, the impairment is recognized in OCI up to the amount of any previous revaluation.

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 recoverable amount is estimated. 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, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of comprehensive income unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Pension Liability and Employee Benefits

Defined Benefit Plan. The pension liability is the present value of the defined benefit obligation at the end of the reporting period. The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.

Pension costs comprise the following:

- Service cost
- Interest on defined benefit liability
- Remeasurements of defined benefit liability

Service costs which include current service costs, past service costs and gains or losses on non- routine

settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuary.

Interest on the pension liability is the change during the period in the pension liability that arises from the passage of time which is determined by applying the discount rate based on government bonds to the pension liability. Interest on the pension liability is recognized as part of interest expense in profit or loss.

Remeasurements comprising actuarial gains and losses are recognized immediately in OCI in the period in which they arise.

Employee Leave Entitlement. Employee entitlements to annual leave are recognized as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before 12 months after the end of the annual reporting period is recognized for services rendered by employees up to the end of the reporting period.

Equity

Capital stock consists of no par value common stock and is measured at stated value. When the shares are sold at premium, the difference between the proceeds and the par value is credited to the "Additional paid-in capital" account.

Subscription receivable representing uncollected consideration from members for subscription of shares, are reflected as deduction from capital stock in the statement of changes in equity. Cancellation of shares are measured based on the original consideration paid by the member and is reflected as deduction in capital stock and related subscription receivable.

Issuances of a specific number of the Club's equity instruments in exchange for land and golf course development costs arising from contracts are classified in equity.

Deficit represents accumulated excess of expenses over members' contributions and fees.

Revenue Recognition

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at amount that reflects the consideration to which the Club expects to be entitled in exchange for those goods and services. The Club has generally concluded that it is principal in its revenue arrangements because it typically controls the goods and services before transferring them to the customer.

The Club assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Club has concluded that, except for Pro-shop sales and Revenue from concessionaires, it is the principal in all of its revenue arrangements since it is the primary obligor in the revenue arrangements, has pricing latitude and is also exposed to inventory risk.

Membership fees. Members are given the advantages and opportunities to use the Club's facilities free of charge in exchange of contribution through payment membership fees. Revenue from membership fees is recognized over time using the agreed transaction price between the Club and the members because the member simultaneously receives and consumes the benefits provided by the Club. The Club elects the practical expedient to recognize revenue based on amounts invoiced to the members, since this method of measuring progress best depicts the performance provided.

Membership fees consist of the following:

- Members' contributions represent monthly dues that are billed one month in advance and are recognized when earned.
- Admission fees represent revenue from the admission of member and is recognized upon activation of membership.
- Transfer and assignment fees represent income from registration of transfer of ownership of a golf share in the Club's stock and transfer book. Revenues are recognized when related service is rendered and ownership has been transferred.
- Playing rights represent annual fee that is recognized upon assignment of playing rights.
- Change in corporate nominee represent fee to change nominee of corporate shareholder and is recognized when the related service is rendered and corporate nominee has been

changed.

Green fees. Revenue from the use of the Club's golf course is recognized over time, that is when services are rendered and amenities are used.

Revenue from concessionaires. Revenues derived from entities allowed to do business within the Club premises are recognized over time. Commission is computed as 10% of the food and beverage sales of the concessionaire net of applicable discount and VAT.

Revenue from sports and recreation operations. Revenue from the use of the Club's facilities is recognized over time, that is when facilities are used.

Contract balances

Contract assets. A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Club performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Receivables. A receivable represents the Club's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities. A contract liability is the obligation to transfer goods or services to a customer for which the Club has received consideration (or an amount of consideration is due) from the customer. If the customer pays consideration before the Club transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Club performs under the contract.

Other Income

Golf cart and bucket rental income. Income derived from the rental of golf carts and golf balls in the driving range is recognized when used.

Interest income. Revenue is recognized as the interest accrues, taking into account the effective yield on the asset.

Costs and Expenses Recognition

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or decrease of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants. Costs and expenses are recognized in the statement of comprehensive income in the period these are incurred.

Leases

The Club assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Short-term leases. The Club applies the short-term lease recognition exemption to its short-term leases of office spaces and parking slots (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

The Club as a lessor

Leases in which the Club does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Foreign Currency-denominated Transactions

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition.

Cash denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in profit or loss.

Taxes

Current income tax. Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the statement of financial position date. Current income tax for current and prior periods shall, to the extent unpaid, be recognized as a liability and is presented as "Income tax payable" in the statement of financial position. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess shall be recognized as an asset and is presented as part of "Other current assets" in the statement of financial position.

Deferred income tax. Deferred income tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred income tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of transaction, affects neither the accounting profit nor taxable income; or
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized to the extent that it is probable that taxable income will be available against which the deductible temporary differences and carryforward benefits of excess MCIT and NOLCO can be utilized, except as summarized below.

- When the deferred income tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable income; or
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable income will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at the end of each statement of financial position 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 income tax assets to be utilized.

Unrecognized deferred income tax assets are reassessed at each statement of financial position date and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to 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 the end of the reporting period.

Income tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred income tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred income tax assets and liabilities are offset, if a legally enforceable right exists to offset current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same tax authority.

Value-added tax. Revenues, expenses, and assets are recognized net of the amount of value-added

tax (VAT), if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the statement of financial position to the extent of the recoverable amount.

Provisions

General provisions. Provisions are recognized when the Club has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying the economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. When the Club expects same or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income, net of any reimbursement.

Contingencies

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

Loss per Share

Basic loss per share amounts is calculated by dividing loss for the year by the weighted average number of ordinary shares outstanding during the year.

The effect of any potential ordinary shares is not included in the computation of loss per share because it is considered antidilutive.

Segment Reporting

Operating segments are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Financial information on operating segments is presented in Note 21 to the financial statements.

Events after the Reporting Date

Post year-end events that provide additional information about the Club's financial position at the financial reporting date (adjusting events), if any, are reflected in the financial statements. However, post year-end events that are not adjusting events are disclosed in the notes to financial statements when material.

5. Significant Judgments, Estimates and Assumption

The preparation of the Club's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgment

In the process of applying the Club's accounting policies, management has made the following judgment, which have the most significant effect on the amounts recognized in the financial statements:

Management's use of going concern assumption

Management believes that with the commitment from their Joint Venture Partners to not demand payment for at least 12 months from the balance sheet date, the Club will be able to continue as a going concern. Accordingly, the financial statements have been prepared on a going concern basis of accounting.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Club based its estimates and assumptions on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments however, may change due to market changes or circumstances arising beyond the control of the Club. Such changes are reflected in the assumptions when they occur.

Estimating fair value of land

The Club's land is carried in the financial statements at revalued amount. The Club has established a process by which measurement of fair values of the land is in place for financial reporting purposes. This primarily involves the expertise of an independent valuer.

The valuer normally considers certain unobservable inputs and valuation adjustments to provide a reasonable indication of the fair value. Any significant changes to these inputs and adjustments could significantly affect the amount of the fair value of the land. Valuation reports are conducted every two to three years or whenever management has identified any significant change in the status and condition of the asset. The Club engaged an independent valuation specialist to assess the fair value of the land. The value of the land was estimated by using the "Sales Comparison Approach". This is a comparative approach to value that considers the properties offered for sale and the related market data and establishes a value estimate by processes involving comparisons and adjusted for the marketability, nature, bargaining allowance, location and size of the properties. Significant increase (decrease) in estimated price per square meter would result in a significantly higher (lower) fair value.

Further information about the assumptions made in measuring fair values is included in Notes 10 and 21.

Provision for expected credit losses of receivables

The Club uses a provision matrix to calculate ECLs for receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Club's historical observed default rates. The Club calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analyzed.

The assessment of the correlation between observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Club's historical credit loss experience and forecast of economic conditions may also not be representative of the customer's actual default in the future.

The carrying values of receivables amounted to Php21.18 million and Php15.54 million as of June 30, 2024 and December 31, 2023, respectively. Allowance for impairment of receivables amounted to Php79.76 million and Php 79.46 million as of June 30, 2024 and December 31, 2023 respectively (see Note 7).

Estimation of useful lives of property and equipment

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

There was no change in the estimated useful lives as of June 30, 2024 and December 31, 2023. The carrying amount of property and equipment amounted to Php 689.67 million and Php704.83 million as of June 30, 2024 and December 31, 2023 respectively (see Note 11).

Determination of impairment of nonfinancial assets

An impairment review should be performed when certain impairment indicators are present.

Determining the value in use of property and equipment which requires the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets, requires the Club to make estimates and assumptions that can materially affect the financial statements.

Based on management's evaluation, the Club's property and equipment is not impaired as of June 30, 2024 and December 31, 2023. The carrying amount of property and equipment amounted to Php689.67 million and Php704.83 million as of June 30, 2024 and December 31, 2023 (see Note 11).

Land is carried at revalued amount. The appraised value of land as determined by an SEC-accredited and independent firm of appraiser amounted to Php12,269.13 million and Php12,269.13 million as of June 30, 2024 and December 31, 2023 respectively (see Note 10).

Estimation of pension liability

The cost of defined benefit pension plans as well as the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future pension increases. The mortality rate is based on publicly available mortality tables for the specific country and is modified accordingly with estimates of mortality improvements. Future salary increases and pension increases are based on expected future inflation rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

Pension liability amounted to Php22.12 million and Php22.52 million as of June 30, 2024 and December 31, 2023 respectively (see Note 19).

Recognition of deferred income tax assets

Deferred income tax assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable income will be available against which the differences can be utilized. Significant management judgment is required to determine the amount of deferred income tax assets that can be recognized, based upon the likely timing and level of future taxable income.

Evaluation of legal contingencies

The estimate of probable costs for the resolution of possible claims has been developed in consultation with outside legal counsel handling the Club's defense in these matters and is based upon an analysis of potential results. As of April 11, 2024, the Club is involved in certain cases arising in the ordinary course of business, which are pending in courts or under protest. Management and its legal counsels believe that the Club has substantial legal and factual bases for its position and is of the opinion that losses arising from this legal action, if any, will not have a material impact on the Club's financial position and results of operations. It is possible, however, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of strategies relating to these proceedings.

6. Cash and Cash Equivalents

This account consists of:

	30-Jun-24	31-Dec-23
Cash on hand	P 360,000	P 360,000
Cash in bank	105,554,599	105,719,483
Cash Equivalents	84,204	74,184
	P105,998,803	P106,153,667

Cash in banks earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value. Short-term deposits earn interest at the respective short-term deposits rates.

7. Receivables

This account consists of receivables from:

	30-Jun-24	31-Dec-23
Members	P 91,574,137	P 86,881,139
Others	9,373,258	8,118,227
	<u>100,947,395</u>	<u>94,999,366</u>
Less: allowance for doubtful accounts	79,762,454	79,462,208
	<u>P21,184,941</u>	<u>P15,537,158</u>

Receivables from members are noninterest-bearing and are generally on 30 to 90 days' term.

Other receivables are non interest-bearing and generally have 60 to 90 days' term which includes receivable from landowner and developer, advances to employees.

8. Inventories

At net realizable value:

	30-Jun-24	31-Dec-23
Golf equipment supplies	P 8,956,455	P 11,983,331
Operating supplies	988,911	718,357
	<u>P9,945,366</u>	<u>P12,701,688</u>

9. Input Value-added Tax and Other Current Assets

This account consists of:

	30-Jun-24	31-Dec-23
Current portion of net input VAT	P 23,405,887	P 15,488,199
Prepayments	2,417,100	999,019
	<u>P25,822,987</u>	<u>P16,487,218</u>

Input Vat will be utilized through application against the Club's output Vat. Noncurrent portion of input VAT, which is presented as part of "Other noncurrent assets" in the statement of financial position amounted to P17.01 million and P17.01 million as of June 30, 2024 and as of December 31, 2023. Input VAT has no expiration period.

10. Land at Revalue Amount

This account consists of:

	30-Jun-24	31-Dec-23
Acquisition cost	P 722,375,819	P 722,375,819
Revaluation increment arising from the appraisal of land	11,546,756,181	11,546,756,181
	<u>P12,269,132,000</u>	<u>P12,269,132,000</u>

The appraised value of the land is based on the appraisal report performed by independent firm of appraisers on December 31, 2023.

11. Property and Equipment

This account consists of:

	Land Improvement	Building and Improvement	Facilities Equipment	Kitchen Equipment	Furniture and Fixture	Transportation Equipment	Total
Cost:							
December 31, 2023	1,364,769,353	219,207,518	258,388,789	5,440,729	28,950,280	8,226,220	1,884,982,889
Additions			16,903,330		75,542	821,428	17,800,300
Disposal							0
June 30, 2024	1,364,769,353	219,207,518	275,292,119	5,440,729	29,025,822	9,047,649	1,902,783,189

Accumulated Depreciation and Amortization:								
December 31, 2023	801,093,151	151,132,936	191,425,723	5,440,729	26,531,629	4,523,904	1,180,148,072	
Additions	15,686,365	2,963,504	13,383,448		346,336	588,800	32,968,453	
Disposal								0
June 30, 2024	816,779,516	154,096,440	204,809,171	5,440,729	26,877,965	5,112,704	1,213,116,525	
Net Book Value	547,989,837	65,111,078	70,482,948	-	2,147,857	3,934,945	689,666,664	

12. Payable to landowner and developer

Payable to landowner and developer represents the value of unissued shares to the landowner and developer in exchange for the Complex.

As discussed in Note 1, ALC contributed to the Club about 306.73 hectares of land to be developed by SLRDI into golf courses, complete with clubhouse and amenities. In exchange for the land and development, the Club will remit the proceeds of the sale of the Club's shares allocated to the Joint Venture as payment of the Complex. The Complex was designed with a cost estimate equivalent to the expected proceeds from the sale of the shares of Club's share. At the time of the inception of the MOA, the Club shares were selling at the average price of P1.287 million per share.

As of June 30, 2024 and December 31, 2023, there are 1,291 remaining unsold shares allocated to the Joint Venture. Proceeds from the sale of these shares will be used to settle the remaining liability to the Joint Venture.

13. Accounts Payable and Other Current Liabilities

This account consists of:

	30-Jun-24	31-Dec-23
Trade	P 13,214,821	P 24,193,034
Refundable deposits from members	44,188,719	42,885,675
Accrued expenses	175,874,257	177,615,373
Contract Liabilities	79,599,389	69,689,687
Advances from landowner and developer	23,800,687	23,800,687
Tournament and other fees	33,566,769	31,054,858
Statutory Liabilities	9,369,056	765,799
Others	26,774,633	23,614,294
	P406,388,331	P393,619,407

Trade, accrued expenses and other current liabilities are non-interest bearing and normally have an average term of less than one year. Other current liabilities consist of broker's fee, tournament fees and other expenses. Accrued expenses mainly represent accruals for utilities, salaries, wages and allowances and other employee benefits.

Refundable deposits include initial deposits from members who cancelled the subscription of their shares and will be returned upon demand. This also includes deposit from assignment of playing rights and will be returned when the assignees no longer renew the playing rights. Playing rights are only for a two-year period but may be renewed.

Deferred income represents (a) monthly dues and other fees that are billed and collected one month in advance, (b) paid but unused green fee vouchers which may be used to pay for green fees. Deferred income is realized when earned.

14. Asset Retirement Obligation

The Club has a constructive obligation to dismantle at the end of its operations non-useable

improvements that it had introduced in the area it occupied. In this regard, the Club established a provision to recognize its estimated liability for the dismantlement of such improvements. Asset retirement obligation as of June 30, 2024 and December 31, 2023 amounted to Php 9,155,231.

The actual cost of dismantlement could vary substantially from the above estimate because of new regulatory requirements, changes in technology, increased costs of labor, materials, and equipment and/or actual time required completing all decommissioning activities.

15. Capital Stock

The number and movement of shares of stock are as follows:

	30-Jun-24	31-Dec-23
Capital stock, no par value		
Class "A" common stock (inclusive of 7 Founders' shares)		
Authorized	3,600	3,600
Issued and subscribed:		
Balance at beginning of year	3,128	3,128
Additional issuance	-	-
Balance at end of year	3,128	3,128
Class "B" common stock		
Authorized	1,400	1,400
Issued and subscribed		
Balance at beginning of year	889	889
Balance at end of year	889	889
Class "C" common stock		
Authorized	1,000	1,000
Issued and subscribed		
Balance at beginning of year	692	692
Cancellation of subscriptions	-	-
Balance at end of year	692	692

Capital stock consists of no par value common stock divided into Class A, B and C shares. Class "A" common shares, inclusive of Founders' shares, may be sold to citizens of the Philippines or to partnerships, corporations or associations, of which at least 60% of the outstanding capital stock entitled to vote is owned or controlled by citizens of the Philippines. Every holder of class "A" common share shall be entitled to one (1) membership in the Club. Class "A" shares can vote in the election of the members of the Board of Directors.

Class "B" common shares may be sold to any individual, corporation, partnership or association, irrespective of nationality. Every holder of class "B" common share shall be entitled to one (1) membership in the Club, but cannot vote in the election of the members of the Board of Directors nor be voted as one of the directors of the Club.

Class "C" common shares are special corporate shares which may be sold to corporations, partnerships or associations irrespective of their nationality or citizenship. Every holder of class "C" shares shall be entitled to one (1) membership in the Club, with two (2) playing rights, but cannot vote in the election of the members of the Board of Directors.

Ownership of all shares of stock of the Club is subject to the following restrictive conditions:

- a. Except for the seven (7) Founders' share, voting rights of the rest of the shares will initially be suspended. Five (5) years from and after the full operation of the Club, the voting rights of the rest of the common shares shall automatically be revived, thus, putting the Founders' shares on equal footing in all respects with the Common Class "A" shares. Provided, however, the Founders' shares exclusive right to vote and be voted for in the election of directors shall be

limited for a period of five (5) years from the date of incorporation of the Club. On October 21, 2008 the voting rights of the common shares were revived.

- b. No transfer of shares of stock of the Club which will reduce the stock ownership of Filipino citizens to less than the minimum percentage of the outstanding capital stock required by law to be owned by Filipino citizens shall be allowed or permitted to be recorded in the books of the Club. This restriction shall be printed or indicated in all the certificates of stocks to be issued by the Club. Any transfer made in violation hereof shall be null and void.
- 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 assets of the Club at the time of its dissolution or liquidation.
- d. No share of the Club hereafter issued shall be sold or transferred by the registered holder thereof except shares that were issued due to a sale of a lot (accompanying shares of lots) until such holder shall have first offered such shares for sale to the Club at a price not less than the book value of such shares as shown by the Club's audited financial statements as of the end of its calendar year next preceding the date of such offer.
- e. In case of foreclosure by the pledge or mortgagee of the shares of stockholders in the Club, the pledge/mortgagee shall, in event of inability of the pledgor or mortgagor to meet his obligations under the terms of the pledge or chattel mortgage, notify the Club in writing of the date, time and place of the foreclosure sale and of the nature and amount of obligation secured by the pledge or mortgage, which sale shall be conducted not earlier than fifteen (15) days from the date the Club received written notice thereof. The Club shall have the right to purchase the auctioned shares, within thirty (30) days from the award, by paying in cash the price paid for by the winning bidder and expenses of sale incurred by the latter.
- f. All Founding and Regular members and such non-members to whom the BOD may, by appropriate resolution, extend the privilege of using the Club's facilities in accordance with Article IV Section 2-3 of Amended By-laws shall be subject to the payment of monthly dues in such amount as may be prescribed by resolution of the BOD to meet the expenses for the general operations of the Club, and the maintenance and improvement of its premises and facilities.

The landowner and developer of the Club, who acquired their shares through a primary offering, or original subscription, and/or in payment of developments, however, shall begin paying the membership dues on their shares only upon activation of the membership attached to the shares or upon the transfer of shares, whichever comes earlier. However, in the latter case of transfer of shares, the transferee shall be liable for all dues and assessments on the shares subject of the transfer.

- g. In case any stockholder shall violate the provisions of the Articles of incorporation or the By-laws or rules and regulations of the Club or resolution duly promulgated by the BOD or stockholders, or commit any other act or conduct which the BOD may deem injuries to the interest or hostile to the objects of the Club, such stockholder may be expelled by the BOD in the manner provided in the By-laws upon proper notice and hearing, and he shall then cease to be a 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 Club shall have a period of ninety (90) days from the expulsion of the stockholder to make payment of his share. In case the share is an accompanying share of a lot, the value of the lot will be determined by an independent appraiser acceptable to the stockholder and to the BOD, and upon such payment the stockholder shall forthwith transfer and assign the share held by him as directed by the Club, and upon such payment the stockholder shall forthwith transfer and assign the share held by him as directed by the Club.
- h. In addition to the preceding provisions, the accompanying share of a lot is subject to the prohibition that it cannot be sold, transferred or encumbered separately from the lot. Any violation of this provision is null and void and shall not be recorded in the books of the Club. This prohibition shall appear in the certificates of stocks of such shares.

Membership of the Club consists of regular, assignee, honorary and founding members.

Regular Members. Regular members are natural persons who are registered shareowners and the duly designated representatives of juridical entities in whose name the share certificates have been issued. Regular members shall be entitled to use the facilities of the Club, provided, however, that only individual Members and Corporate Nominees shall have the right to vote and be voted at the election of directors.

Assignee Members. Assignee members are natural persons who are assignees of certain rights enjoyed by the stockholders of the Club, and must also pass the qualifications of the Club for individual memberships. Assignee members shall be entitled to use the facilities of and the privileges extended by the Club.

Honorary Members. Honorary membership shall be automatically extended only to the following incumbent public officers, the President of the Philippines, the Governor of Cavite and the Mayor of the Municipality of Gen. Trias, Cavite and such individual persons hereafter designated by the BOD.

Founding Members. Founding members shall be composed of the original incorporators of subscribers of the Club who are holders of founders' share. Founding members who are owner of founders' share have the sole right to vote within a period of five (5) years from the time of full operation of the Club. After the initial five-year period has elapsed, the voting rights of the rest of the common shares shall be revived, thus putting the founders' share on equal footing in all respects with the Common Class "A" shares.

16. Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. These include: (a) individuals owning, directly or indirectly through one or more intermediaries, control, or are controlled by, or under common control with, the Club; (b) associates; and (c) individuals owning, directly or indirectly, an interest in the voting power of the Club that gives them significant influence over the Club and close members of the family of any such individual.

The following transactions have been entered into with related parties:

a. SLDRI and ALC Advances

This pertains to collection from sale of the Club's shares of stocks Club remitted to the Club by the broker which is due to SLDRI and ALC. The Club has outstanding balance of ₱23,800,687 as of June 30, 2024 and as of December 31, 2023.

b. Legal Consultations and Review Services

Conal Corporation Legal Services Group, an affiliate of one of the Club's major shareholders, provides for consultations, review, advice and opinion on general law, contracts, corporation, tax, investments and other legal matters; preparation of short contracts and other documents required in the course of business of the Club. Total cost for such services amounted to ₱ 267,857 as of June 30, 2024 and Php 535,714 as of December 31, 2023. The Club has outstanding balance of ₱184,727 as of June 30, 2024.

a. SLDRI Accrued Expenses

This pertains to accrual of expenses pertains to water billings and real property taxes paid by SLDRI in behalf of the Club. The club has outstanding balance of ₱152.79 million as of June 30, 2024.

Compensation of Key Management Personnel

Compensation of key management personnel of the Club amounted to ₱3.49 million and ₱6.07 million as of June 30, 2024 and December 31, 2023, respectively. There are no long-term benefits given to key management in 2024.

17. Revenues

Membership Fees

This account consists of:

	30-Jun-24	30-Jun-23
Members' contribution	P 53,394,201	P 41,444,524
Transfer and assignment fee	8,466,750	8,139,500
Admission fee	3,450,000	2,640,000
Change of corporate nominee	1,125,000	675,000
Assessment	474,000	811,500
Others	456,000	640,000
	P67,365,951	P54,350,524

Other Golf Revenues – net

This account consists of:

	30-Jun-24	30-Jun-23
Golf cart income	P 24,043,207	P 23,672,812
Bucket rental income	2,481,858	2,168,572
Others - net	17,705,598	17,777,089
	P44,230,663	P43,618,473

Income from Sports and Recreation Operations

This account consists of:

	30-Jun-24	30-Jun-23
Guest fee	P 955,738	P 465,940
Others	132,034	36,831
	P1,087,772	P502,771

18. Costs and Expenses

This account consists of:

	30-Jun-24	30-Jun-23
Repairs and maintenance	P 32,683,352	P 21,966,387
Light and water	13,135,693	10,944,006
Employee salaries, wages and benefits	33,536,278	27,970,153
Taxes and licenses	16,011,768	18,835,477
Security services	7,347,262	6,439,721
Operating supplies	3,600,095	3,687,134
Travel and transportation	3,422,394	3,120,792
Professional fees	1,670,267	1,470,160
Laundry services	435,809	282,721
Commission	1,185,606	1,069,318
Advertising and promotions	72,000	72,000
Communication	155,163	127,479
Miscellaneous	4,450,063	3,982,393
Bad Debts	645,303	0
	P118,351,053	P99,967,741

19. Pension Costs

The Club has unfunded defined benefit pension plan covering all qualified employees. Retirement benefits are payable in the event of termination of employment due to: (i) early, normal, or late retirement; (ii) physical disability; (iii) voluntary resignation; or (iv) involuntary separation from

service. For plan member's retirement under normal, early or late terms, retirement benefit is equal to a percentage of final monthly salary for every year of credit service. The plan requires that contributions be made to a separately administered fund. Accrued pension cost amounted to P 22,117,674 as of June 30, 2024 and P22,516,460 as of December 31, 2023, respectively.

The principal assumptions used in determining accrued pension costs are shown below:

	30-Jun-24	31-Dec-23
Discount rate	6.07%	6.07%
Future salary increases	8.00%	8.00%

20. Financial Instruments

Financial Risk Management Objectives and Policies

The Club's principal financial instruments comprise cash and cash equivalents, receivables and accounts payable and other current liabilities, which arise directly from its operations.

The main risks arising from the Club's financial instruments are credit risk and liquidity risk. The Members and the BOD review and approve on the policies of managing each of the risks and they are summarized below:

Credit Risk. Credit risk arises when one party to a financial instrument will fail to discharge an obligation and cause the Club to incur a financial loss. The Club trades only with recognized, creditworthy third parties. It is the Club's practice that all members are subject to credit verification procedures.

The Club's exposure to credit risk related primarily to the collection of members' monthly dues. The Club's policy is to monitor the receivables balances on an ongoing basis. It is the Club's policy that any individual or corporation who wishes to become a member or assignee is to be subjected to strict membership qualification screening.

The table below shows the maximum exposure to credit risk for the Club's financial assets without taking account of any collateral and other credit enhancements:

	30-Jun-24	31-Dec-23
Cash and cash equivalents*	P 105,638,803	P 105,793,667
Receivables**	17,882,852	13,026,619
Total credit risk exposure	P123,521,655	P118,820,286

*Excluding cash on hand amounting P360,000 at June 30, 2024 and December 31, 2023, respectively.

**Excludes advances for business expenses and advances to employees totaling to P3,302,090 and P2,510,539 as at June 30, 2024 and December 31, 2023, respectively.

The aging analysis of financial assets is as follows:

30-Jun-24						
	Current			Past Due (1-90 Days)	Impaired	Total
	Minimal Risk	Average Risk	High Risk			
Cash and cash equivalents	P 105,638,803	P -	P -	P -	P -	P 105,638,803
Receivables	15,912,456			5,272,486	79,762,454	100,947,396
	P 121,551,259	P -	P -	P5,272,486	P 79,762,454	P 206,586,199

31-Dec-23						
	Current			Past Due (1-90 Days)	Impaired	Total
	Minimal Risk	Average Risk	High Risk			
Cash and cash equivalents*	P 105,793,667	P -	P -	P -	P -	P 105,793,667

Receivables**	7,654,466			5,372,152	79,462,209	92,488,827
	P 113,448,133	P -	P -	P 5,372,152	P 79,462,209	P 198,282,494

*Excluding cash on hand amounting P360,000 at June 30, 2024 and December 31, 2023, respectively.

**Excludes advances for business expenses and advances to employees totaling to P3,302,090 and P2,510,539 as at June 30, 2024 and December 31, 2023, respectively.

The Club classifies credit quality risk as follows:

Minimal risk - accounts with a high degree of certainty in collection, where counterparties have consistently displayed prompt settlement practices, and have little to no instance of defaults or discrepancies in payment.

Average risk - active accounts with minimal to regular instances of payment default, due to ordinary/common collection issues, but where the likelihood of collection is still moderate to high as the counterparties are generally responsive to credit actions initiated by the Club.

High risk - accounts with low probability of collection and can be considered impaired based on historical experience, where counterparties exhibit a recurring tendency to default despite constant reminder and communication, or even extended payment terms.

The tables below summarize the maturity profile of the Club's financial liabilities based on contractual undiscounted payments.

	30-Jun-24			
	Due and Demandable	Less than 3 Months	More than 3 Months	Total
Cash and cash equivalents	P 105,914,599	P 84,204	P -	P 105,998,803
Receivables		10,920,122	6,962,729	17,882,851
	105,914,599	11,004,326	6,962,729	123,881,654
Accrued expenses			175,874,257	175,874,257
Trade		13,214,821		13,214,821
Refundable deposits	44,188,719			44,188,719
Advances from joint venture partners			23,800,687	23,800,687
Others		60,341,402		60,341,402
	44,188,719	73,556,223	199,674,944	317,419,886
Liquidity gap	P61,725,880	(P62,551,898)	(P192,712,215)	(P193,538,232)

	31-Dec-23			
	Due and Demandable	Less than 3 Months	More than 3 Months	Total
Cash and cash equivalents	P 106,079,483	P 74,184	P -	P 106,153,667
Receivables		7,654,466	5,372,152	13,026,618
	106,079,483	7,728,650	5,372,152	119,180,285
Accrued expenses	-	14,236,874	163,378,501	177,615,375
Trade	-	24,193,034	-	24,193,034
Refundable deposits	42,885,675	-	-	42,885,675
Advances from joint venture partners			23,800,687	23,800,687
Others	-	54,669,149	-	54,669,149
	42,885,675	93,099,057	187,179,188	323,163,920
Liquidity gap	P63,193,808	(P85,370,407)	(P181,807,036)	(P203,983,635)

Capital Management

The primary objective of the Club's capital management is to safeguard the Club's ability to continue as a going concern, so that it can continue to provide services for its members and other stakeholders.

The Club manages the capital structure and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Club may return

capital to member, issue new shares, or sell assets to reduce debt.

The Club monitors capital on the basis of the debt-to-equity ratio. This ratio is calculated as total liabilities divided by total equity.

The Club's strategy, which was unchanged from prior period, was to maintain the debt-to-equity ratio at a manageable level.

	30-Jun-24	31-Dec-23
Total current liabilities	P 406,388,331	P 393,619,407
Total noncurrent liabilities	2,917,961,950	2,918,360,736
Total liabilities (a)	3,324,350,281	3,311,980,143
Total equity (b)	9,846,022,529	9,847,907,529
Debt-to-equity ratio (a/b)	0.34:1	0.34:1

21. Fair Value

Assets measured at fair value:

	Date of Valuation	Total	Level 1 Quoted Price in Active Markets	Level 2 Significant Observable Input	Level 3 Significant Unobservable Input
Land	December 31, 2023	P 12,269,132,000	P -	P -	P 12,269,132,000
	December 31, 2022	11,655,675,400			11,655,675,400

The value of the land was estimated using the "Market Approach". This is a comparative approach to value that considers the properties offered for sale and the related market data and establishes a value estimate by processes involving comparisons and adjusted for the marketability, nature, bargaining allowance, location and size of the properties. The most significant input into this valuation approach is price per square meter; i.e., the higher the price per square meter, the higher the fair value.

The table below summarizes the significant unobservable inputs in the valuation of land held by the Club:

Significant unobservable inputs	2023	2022	Interrelationship between significant unobservable input and fair value measurement
Selling price of identical piece of land	P8,500 to P12,495 per square meter	P8,500 to P12,000 per square meter	The estimated fair value would increase (decrease) if the price per square meter increase (decrease)
External factor adjustments	-10%	-10%	The estimated fair value would increase (decrease) if the external factor adjustments per square meter increase (decrease)
Internal factor adjustments	-5% to -65%	-50% to -60%	The estimated fair value would increase (decrease) if the internal factor adjustments per square meter increase (decrease)

The Club has determined that the highest and best use of the land, recreational development and utility, is its current use.

Other financial assets and liabilities

The carrying value of the Club's cash in banks, receivables and accounts payable and other current liabilities approximate their fair values as at December 31, 2023 due to the short-term nature of these financial instruments.

22. Commitments

Concession Agreements

On September 1, 2015, the Club entered into a concession agreement with Interpro Food Specialist, Inc. (IFSI) for a period of three (3) years, however on September 15, 2016, Champions Bar (CB) bought the contract of Interpro, where CB shall serve as the Food and Beverage (F&B) concessionaire up until the unexpired portion of Interpro's contract until August 31, 2018.

On October 1, 2018, the Club entered into a new concession agreement with Elaine Kitchenette and Chef Elmer Foods Solutions Corporation. Both agreements have a contract term of three (3) years commencing on October 1, 2018 until September 30, 2021. The contract with Chef Elmer Foods Solutions Corporation was renewed for another 3 years starting October 1, 2021 subject to concessioner fee of 10% of sales, net of VAT. On the other hand, the contract with Elaine Kitchenette was renewed for one year starting October 1, 2021 subject to concessionaire fee of 5% of sales, net of VAT.

Whereas the Concessionaire shall cater the Food and Beverage operation in the following outlets Main Club House, Aoki Club House, Dye Club House, Sports Club House, 9 Tee Houses and all the banquet requirements. The Revenue Share of the Club shall be 10% F&B Sales net of applicable discounts and sales priced at food cost.

Revenue from concessionaires amounted to Php1.88 million and Php 1.71 million as of June 30, 2024 and June 30, 2023 respectively and is included in "Revenues from concessionaires" in the revenues section of profit or loss.

Sales Agency Agreement

The Club entered into a Sales Agency Agreement with OUM Golf Academy (OUM), whereby the Club agrees to allow OUM to be the Club's exclusive sales agent for the Club's golf round packages for specific use of individuals learning golf or improving their golf skills. The original contract was for a term of three (3) years starting April 1, 2009. The Club renewed the agreement for another years starting April 1, 2012 and provides that OUM shall pay the Club the amount of Php21.00 million in advance. On April 1, 2015 the Club again renewed the agreement for another year and ended March 31, 2016. Starting April 1, 2016, the club's income from Golf Academy consists of tuition fees that the club receives from various schools and enrollees. This is in lieu of the expired contract as mentioned above.

Revenues from Golf Academy amounted to Php 0.98 million and Php 2.18 as of June 30, 2024 and June 30, 2023 respectively is included in "Green fees" in the revenues section of profit or loss.

PART I - FINANCIAL INFORMATION

Item I. Financial Statements

The financial statements are fairly presented in conformity with accounting principles generally accepted in the Philippines.

Item II. Management Discussion and Analysis of Financial Condition and Results of Operations for the Six Months Ending June 30, 2024.

The Company's key performance indicators are the number of players, golf rounds, golf carts' usage, pro-shop sales and the number of members and guests patronizing sports facilities. The Club

calculates or identifies the indicator based on analysis presented.

The Club is not aware of any trends, demands, commitments, and events or uncertainties that will have a material impact on the Clubs' liquidity except for the global slowdown in business, which had an effect in the golf industry as well as membership sales. It is neither aware of any events that will trigger direct or contingent financial obligations that is material to the Company or may result in a default or acceleration of an obligation.

There have been no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), neither is there any existing relationships of the Club with unconsolidated entities or other persons created during the reporting period.

The Club has material commitments for capital expenditures on the upkeep and maintenance of its facilities and equipment.

There have been no known trends, events or uncertainties that have had or that are reasonably expected to have material favorable or unfavorable impact on net sales/revenues/income from continuing operations.

There have been no significant elements of income or loss that have arisen from the Company's continuing operations.

There have been no seasonal aspects that had a material effect on the Company's financial condition or result of operations during the reporting period.

Results of Operations

Total revenues went up by Php21.4M or 17% from Php127.5M in 2023 to Php148.9M in 2024. This was attributed to the increase of Membership Fee by Php13.0M or 24% from Php54.4M in 2023 to Php67.4M in 2024 due to the improvement in the numbers of billed members. In addition, Green Fees also increase by 33% or Php8.2M from Php25.2M in 2023 to Php33.4M in 2024 and Golf Cart rental which form part under other golf revenues. This was mainly due to the increase of patronage due to the continuous improvement of the golf courses. Likewise, income from concessionaires increased by Php0.2M or 10% from Php1.7M in 2023 to Php1.9M in 2024 as well as the income from sports and recreation operation increased by Php0.6M or 116% from Php0.5M in 2023 to Php1.1M in 2024. On the other hand, Golf Academy decreased by Php1.2M or 55% from Php2.2M in 2023 to Php1.0M in 2024.

Total costs and expenses increased by Php18.4M or 18%, from Php100.0M in 2023 to Php118.4M in 2024.

The Club incurred an operating loss of Php1.9M as of June 30, 2024.

Key Performance Indicators

1) Total Golf Rounds

A golf round is equivalent to 18 holes of golf played by a golfer and indicates the ability of the Club to lure its members to continuously avail of the facilities and to generate, thru marketing activities, additional guests' patronage. Total golf rounds in 2024 was registered at 78,588 rounds, higher than 2023 experience of 77,276 rounds by 1,312 rounds or 1.70%. The increase was mainly attributable to the continuous improvement of the golf courses.

2) Golf Cart Usage

Golf cart usage is the ability of the Club to inform the golfers of the importance of using golf carts not only to generate revenues but to control the flow of traffic in the golf courses. The total number of golfers availing of golf carts, an increase by 6,950 golfers or 21.39% was recorded, from 32,492 golfers in 2023 to 39,442 golfers in 2024. This performance was in direct relation to the increase in golf rounds.

3) New Members Generated

“New members generated” is the ability of the Club, thru its marketing strategies, to solicit new members to enhance generation of additional revenues. New members generated in 2024 totaled 176 members, an increase by 27 members or 18.12% from 2023 mark of 149 members. The Club is continuously embarking a sales blitz by visiting corporate entities and other golf club, and social media advertisement.

4) Average Food & Beverage (F&B) Check

Average F&B check is calculated by dividing total F&B revenues derived from golfers' lounges and tee-houses by total golfers. It measures the ability of the Club's concessionaire to push sales to golfers thru its improved services. The average F&B check has slightly increased by Php19 or 8.60%, from Php221 in 2023 to Php240 in 2024.

5) Unlimited Bucket Rental

Unlimited bucket rental is the unlimited use of golf balls in the use of the Club's driving range and is priced at Php7,500 per month or Php1,000.00 per year exclusively for members. It indicates the ability of the Club to offer unlimited bucket rental to playing golfers. Unlimited bucket rental went up by 466 from 1,313 in 2023 to 1,779 in 2024.

6) Electricity Consumption in Kilowatt-Hour (KWH)

“Electricity consumption in KWH” is a measurement of the Club's ability to monitor and control its electricity consumption to a minimum level thru periodic inspection of its golf course equipment and facilities. The club increases in electricity consumption in KWH by Php343.3k or 34.95% from Php0.92 million in 2023 to Php1.33 million in 2024. This is mainly due to increase of power demand due to almost back to normal operation.

7) Ratio of Gasoline to Cart Income

This indicates the ability of the Club to monitor over-consumption of gasoline in the use of golf carts, and determined by dividing total cart gasoline expense to total cart income. The Club has a negative variance by 1.46%, from 8.3% in 2023 to 6.9% in 2024. The average price per liter of gasoline increased by Php0.21/liter or 0.35%, from Php61.75/liter in 2023 to Php61.96/liter in 2024.

FINANCIAL CONDITION

Total current assets as at June 30, 2024 totaled to Php163.0M; Php12.1M or 8% higher from Php150.9M in December 31, 2023. Cash and cash equivalents a minimal decreased by Php0.2M, from Php106.2M in December 31, 2023 to Php106.0M in June 30, 2024. Input value-added tax and other current assets is up by Php9.3M or 57% as compared to December 31, 2023. Net receivables went up also by Php5.6M or 36%, from Php15.5M on December 31, 2023 to Php21.2M on June 30, 2024. Property and equipment decreased by Php15.2M; net result of depreciation charged to operations in 2024 and additional capex.

Furthermore, total current liabilities increased by Php12.8M or 3%, from Php393.6M on December 31, 2023 to Php406.4M on June 30, 2024.

The Club reported an accumulated deficit of Php1.3B as of June 30, 2024.

Plan of Operations

Our constant persistence in improving our 4 golf courses had started to bring us better income in 2023. We are still doing our best in repairing our bunkers and irrigation system. We have repaired and repainted/renovated our main clubhouse to elevate the stature of our club. We are continuously renovating our other clubhouses to ensure that the price of our membership shares maintain if not increase its value.

For the past 2 years, we have added a good amount of brand-new golf carts to increase revenue which will help our operations expenses. This year, we have installed a 100-megawatt solar power system which will again help us reduce our electricity costs.

For 2024, the management will be aggressive in continuously improving the golf courses and renovating the clubhouses. In addition, the Club is planning to acquire additional fleet of brand-new golf carts in order to provide more sources of revenue and to meet the demands during the peak season.

This move will definitely help improve the Club's income for the years to come.

There's no any significant product research and development that will be undertaken in 2024.

PART II - OTHER INFORMATION

There are no matters and events that need to be disclosed under SEC Form 17-C.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned there unto duly authorized.

Issuer: **EAGLE RIDGE GOLF AND COUNTRY CLUB, INC.**

Signature and Title :


MARIZA SANTOS-TAN
Corporate Secretary

Date :

08/09/24

Signature and Title :


RICHARD H. BINGHERO
Finance Manager

Date :

08/09/24

**EAGLE RIDGE GOLF & COUNTRY CLUB
KEY INDICATOR REPORT**

	30-Jun-24	30-Jun-23
Operating Revenue	148,932,643	127,541,061
% Change from interim period of preceding year / last fiscal year		
Operating expenses	118,351,053	99,967,741
% Change from interim period of preceding year / last fiscal year		
Gross Operating Profit	30,581,590	27,573,320
% Change from interim period of preceding year / last fiscal year		
GOP % of Operating Revenue	21%	22%
No. of Players	75,656	74,988
% Change from interim period of preceding year / last fiscal year		
Golf Operation Gross	77,617,760	68,793,674
% Change from interim period of preceding year / last fiscal year		
GO Cost of Sales %	85%	71%
GO Payroll %	38%	34%
GO Net	11,908,445	20,099,806
GO Net % of Gross	8%	16%
Income from Concessionaire	1,881,249	1,713,735
% Change from interim period of preceding year / last fiscal year		
Sports Gross	1,087,772	502,771
% Change from interim period of preceding year / last fiscal year		
Sports Payroll %	159%	262%
Sports Net	(1,979,337)	(2,572,201)
Sports Net % of Gross	-182%	-512%
Other Membership fees	13,497,750	12,094,500
Membership Expenses	2,036,334	1,717,584
Net Other membership fees	11,461,416	10,376,916
% Change from interim period of preceding year / last fiscal year		

**EAGLE RIDGE GOLF & COUNTRY CLUB
KEY INDICATOR REPORT**

	30-Jun-24	30-Jun-23
Members' Contributions	67,365,952	58,040,931
% Change from interim period of preceding year / last fiscal year		
G&A Expense	40,110,227	40,267,047
% Change from interim period of preceding year / last fiscal year		
Club Operating Total Payroll Expense	29,688,345	25,015,270
% Change from interim period of preceding year / last fiscal year		
Payroll as a % of Operating Revenue	20%	20%

**EAGLE RIDGE GOLF & COUNTRY CLUB
FINANCIAL SOUNDNESS INDICATORS
AS OF JUNE 30, 2024**

Current/Liquidity Ratios

	30-Jun-24	30-Jun-23
Total Current Assets (a)	162,952,097	176,438,960
Total Current liabilities (b)	406,388,331	448,535,071
Current/ Liquidity Ratio	0.40:1	0.39:1

Solvency / Debt to Equity Ratios

	30-Jun-24	30-Jun-23
Total Net Income + Depeciation (a)	31,083,452	26,305,156
Total liabilities (b)	3,324,350,281	3,208,731,308
Solvency Ratio:	0.01:1	0.01:1

	30-Jun-24	30-Jun-23
Total liabilities	3,324,350,281	3,208,731,308
Total Equity	9,846,022,529	9,373,284,143
Debt to Equity Ratio:	0.34:1	0.34:1

Asset to Equity Ratios

	30-Jun-24	30-Jun-23
Total Current Assets (a)	162,952,097	176,438,960
Total Equity (b)	9,609,653,336	8,692,217,591
Asset to Equity Ratio:	0.02:1	0.02:1

Profitability Ratios

	30-Jun-24	30-Jun-23
Gross Profit	30,581,590	27,573,320
Net Sales	148,932,643	127,541,061
Gross Margin	21%	22%

	30-Jun-24	30-Jun-23
Operating Profit	(1,885,000)	(4,630,816)
Net Sales	148,932,643	127,541,061
Operating Margin	-1%	-4%

	30-Jun-24	30-Jun-23
Net Income	(1,885,000)	(4,630,816)
Asset	13,170,372,810	12,582,015,452
Return on Asset	-0.01%	-0.04%

EAGLE RIDGE GOLF AND COUNTRY CLUB, INC.
MINUTES OF THE VIRTUAL ANNUAL STOCKHOLDERS' MEETING¹
Held at the Main Clubhouse, Eagle Ridge Golf & Country Club
General Trias, Cavite, on October 19, 2023, at 2:00 p.m.

CALL TO ORDER

In view of the absence of the Chairman, the Vice-Chairman of the Board of Directors, Mr. Vicente R. Santos, acted as Chair of the Meeting. He called the meeting to order and presided over the same. After introducing each incumbent director, he gave some welcome remarks to the stockholders. The Corporate Secretary, Ms. Mariza Santos-Tan, recorded the minutes of the proceedings.

CERTIFICATION OF NOTICE AND QUORUM

The Corporate Secretary certified that the Definitive Information Statement and notices of the meeting were sent to all the stockholders of record at their respective addresses as indicated in the corporate records, at least 21 days before the meeting, in compliance with the Revised Corporation Code.

The Corporate Secretary likewise certified that there were present at the meeting, in person or by proxy, stockholders representing 1,474, or 31% of the Corporation's outstanding capital stock of 4,709 shares, of all classes are present, and that a quorum was, therefore, present for the transaction of corporate business.

The Chairman of the Election Committee, Mr. Carlitos P. Quiogue, was called next to briefly discuss the voting procedure for the meeting, a written copy of which was included in the Club's Definitive Information Statement. Thereafter, the Corporate Secretary informed the stockholders about the items that were submitted for voting.

APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING

The Chairman stated that the next matter on the agenda is the approval of the Minutes of the previous Annual Stockholders' Meeting held on October 20, 2022. The Corporate Secretary informed the Chairman that copies of said Minutes had been distributed earlier to the stockholders. Hence, she proposed that they dispense with the reading of these Minutes, and approve the said minutes as appearing in the Company's record. She also reported that no inquiries were received regarding the minutes and that based on their tally, 1,350 of the shares present approved the Minutes. The Chairman approved the proposal, there being no objection, and declared that based on the report of the Corporate Secretary, the Minutes of the Annual Stockholders' Meeting held on October 20, 2022 was approved.

MANAGEMENT REPORT

The Chairman proceeded to the next item on the agenda which is the Management Report on the operations of the Corporation to be delivered by the General Manager (GM), Mr. Antonio Carlos Ocampo. GM reported on the Corporation's results of operations for the past year and

¹ Zoom Webinar ID: 916 1000 7745

gave a comparison of the financial position of the Corporation for the years ended December 31, 2022 and 2021. The GM likewise rendered a report on the comparative Golf Rounds for 2022 and 2021, and the results of operations for the first half of 2023.

After the report, the Chairman asked if there are questions from the stockholders about the Management Report and the Audited Financial Statements for 2022. The Corporate Secretary replied that they received an inquiry on this matter from Mr. Lasmar Edullantes who is one of their stockholders. He emailed that there is no need to send a CD and instead requested if the Annual Stockholders Report can be sent by emailing the link of the documents or if they can be made available on the website of the Corporation. The Vice-Chairman answered the inquiry by saying that for the next Annual Stockholders Meeting, they plan to upload all materials to the website of the Club and the stockholders can access them by using a QR code.

The Corporate Secretary next reported on their tally of votes. She said that 1,350 of the shares present approved the Annual Report and the Audited Financial Statements for 2022. She informed the Chairman of the stockholders' proposed motion for this item.

Considering that a majority of the votes approved the Management Report and the Audited Financial Statements for the year ended December 31, 2022, the stockholders resolved as follows:

Resolution No. 1, Series of 2023

“RESOLVED, That the Annual Report of Management, and the Company’s Audited Financial Statements for the year ended December 31, 2022, be, as they are hereby, approved.”

RATIFICATION OF THE ACTS OF MANAGEMENT

The Chairman stated that the next matter on the agenda is the ratification of the acts of the Board of Directors and the officers of the Corporation. A summary of these corporate acts was included in the materials distributed to the stockholders. The Chairman asked the Corporate Secretary if there was any inquiry about the acts of the Board and management. The Corporate Secretary replied that they received no inquiry on this matter, and that based on their tally, 1,350 of the shares present approved these acts. She informed the Chairman that the Club advised those attending the meeting of the proposed stockholders' motion for this item.

Hence, on motion duly made and seconded, it was resolved that:

Resolution No. 2, Series of 2023

“RESOLVED, That all acts, contracts, resolutions and actions, authorized and entered into by the Board of Directors and Management of the Company from the date of the last Stockholders’ Meeting up to the present be, as they are hereby, approved, ratified and confirmed.”

APPOINTMENT OF EXTERNAL AUDITORS

The next matter on the agenda was the appointment of the external auditors of the Corporation. The Chairman asked the Corporate Secretary if there was any inquiry about this matter. The Corporate Secretary replied that they received no inquiry on this matter, and that based on their tally, 1,350 of the shares present approved the appointment. She informed the Chairman that the Club advised those attending the meeting of the proposed stockholders' motion for this item.

Hence, on motion duly made and seconded, it was resolved that:

Resolution No. 3, Series of 2023

“RESOLVED, That the audit firm of SyCip Gorres Velayo & Co., be, as it is hereby, appointed as the Company's independent external auditors for the year 2023 -2024.”

ELECTION OF DIRECTORS

The next matter on the agenda was the election of the members of the Board of Directors. The Chairman called the Chairman of the Election Committee again to report on the nominees for the Board of Directors. He informed the stockholders that the Nomination Committee of the Corporation received a total of nine (9) nominations to the 9 available seats in the Board of Directors, with seven (7) for regular directors and two (2) for independent directors. The nominees for regular directors were as follows:

1. Mr. Tomas I. Alcantara
2. Mr. Miguel Rene A. Dominguez
3. Mr. Exequiel D. Robles
4. Mr. Vicente R. Santos
5. Ms. Mariza Santos-Tan
6. Mr. Philip J. Chien
7. Mr. Alfredo G. Pareja

While the nominees for independent directors were as follows:

1. Mr. Benjamin R. Almario
2. Mr. Ramil L. Villanueva

The Chairman thereafter asked the Corporate Secretary if there was any inquiry about this matter. The Corporate Secretary replied that they received no inquiry on this matter, but requested to present to the stockholders the justification duly approved by the Board last 20 September 2023 for the retention and re-election of their two (2) Independent Directors, Messrs. Benjamin R. Almario, and Ramil L. Villanueva, for the 2023-2024 term. Thereafter, she presented the following results of the voting for the election of directors from the Election Committee:

**ANNUAL
STOCKHOLDERS'
MEETING**

Thursday
19 October 2023
2:00 p.m.

RESULTS OF ELECTION

RANK	NAME	VOTES
1	SANTOS-TAN, Mariza R.	2,094
2	SANTOS, Vicente R.	2,022
3	ALCANTARA, Tomas I.	1,086
4	DOMINGUEZ, Miguel Rene A.	993
5	CHIEN, Philip J.	840
6	ROBLES, Exequiel D.	690
7	ALMARIO, Benjamin R.	291
8	VILLANUEVA, Ramil L.	282
9	PAREJA, Alfredo G.	25

Consequently, on motion duly made and seconded, it was resolved that:

Resolution No. 4, Series of 2023

"RESOLVED, That the following were elected as the Club's Board of Directors for the year 2023 -2024:

1. *Mariza Santos-Tan*
2. *Alfredo G. Pareja*
3. *Vicente R. Santos*
4. *Tomas I. Alcantara*
5. *Miguel Rene A. Dominguez*
6. *Exequiel D. Robles*
7. *Ramil L. Villanueva (Independent Director)*
8. *Philip Chien*
9. *Benjamin R. Almario (Independent Director)"*

The Chairman acknowledged that Messrs. Benjamin R. Almario and Ramil L. Villanueva are the Corporation's independent directors.

ADJOURNMENT

There being no further business to transact, and on motion duly made and seconded, the meeting was adjourned.

MARIZA SANTOS-TAN
Corporate Secretary

ATTESTED:

VICENTE R. SANTOS
Vice-Chairman of the Board of Directors

EAGLE RIDGE GOLF & COUNTRY CLUB, INC.

Summary of Relevant Board and ExCom Resolutions

August 2023 to July 2024

September 20, 2023

- Approval of proposal to increase transfer fees from Php50,000 to Php75,000 for individuals and from Php75,000 to Php125,000 for corporations effective January 2024
- Approval of proposal to sell 10,000 green fee vouchers to Pinehills as advance green fees at the rate of Php1,300 per green fee and use of proceeds for purchase of golf carts
- Approval of new green fee rates to take effect on 1 November 2023
- Appropriation of additional budget for installation of Hunter irrigation system in Faldo course
- Approval of the List of Applicants for Membership from February 2023 to May 2023
- Approval of Calendar of Activities leading to the Virtual Annual Stockholders Meeting of the Corporation on 19 October 2023
- Approval of the proposal for assignment of 3-year playing rights to ambassadors, consuls, and vice-consuls of different embassies, waiver of processing fees, but with payment of 6-months dues in advance
- Approval of new date for Auction of delinquent shares, minimum bid prices and number of the shares to be sold per Auction sale
- Approval of the Justification for retention of independent directors beyond 9-year term limit
- Approval of the purchase of the Grid Tie Solar System if they can get financing
- Approval of the creation of a Caddie Fund for medical assistance, calamity assistance, and retirement of caddies
- Updating of the authorized person allowed to access the Metrobank Safety Deposit Box of the Club
- Approval of the proposal to have an alternate member in the Executive Committee
- Approval of the renewal of the concession agreement of Elaine's Kitchenette and reversion of the pandemic rate to normal rates
- Appropriation of additional budget for interior and exterior repairs of the Main Clubhouse and approval of the award of the repair works to Haribon Builders
- Grant of extension of time to LK Golf Marketing Corp. to sell green fee vouchers

October 19, 2023

- Election of Officers and Appointment of Committee Members
- Approval of voluntary surrender of shares as a mode of collecting delinquencies of shares attached to fairway lots
- Approval of the updated Calendar of Activities for Auction on 18 November 2023 and Amended Rules Governing the Auction of Delinquent Shares
- Authorization to secure a Php7M loan for the Solar Grid Tie project at the Main Clubhouse

November 9, 2023

- Authorization for the General Manager to arrange the purchase of 3,000 golf vouchers of LK by any interested group
- Appointment of representatives of the Corporation to sign the Commercial Solar Rooftop Installation with Solarized Inc. and the Promissory Note for its financing

December 14, 2023

- Extension of the free Club membership or assignment of 3-year playing rights to the spouses and dependents of ambassadors, consuls, and vice-consuls subject to the same condition for payment of 6-month dues in advance
- Approval of the 2024 Business Plans and Budget subject to proposed changes
- Approval of the List of Applicants for Membership from June 2023 to September 2023
- Approval of the 3-month and 6-month installment plans for acquisition of shares and permission to sell auction shares to interested parties who were not able to join the auction at the prices approved by the Board
- Grant of the appeal of Ms. Jessie Cho regarding her 6-month suspension, subject to her signing a document agreeing that the Club will expel her in case of a repetition of her infractions

February 8, 2024

- Approval of the List of Applicants for Membership from October 2023 to December 2023
- Authorization to hire Mr. Gilberto Bathan as the irrigation consultant of the Club for a period of 1 year
- Approval of the application for net metering with Meralco and authorization of representative
- Approval to transact with and avail of products of SMART/ PLDT and authorization of representative
- Application for Renewal of Business Permit and authorization of representative

April 11, 2024

- Approval of the 2023 Audited Financial Statements
- Approval of the List of Applicants for Membership from January 2024 to February 2024
- Authorization to enter into a Memorandum of Agreement and Data Sharing Agreement with Tiger Resort, Leisure and Entertainment, Inc. and appointment of a representative of the Corporation to sign the said Agreements
- Approval of the new Manual of Corporate Governance of the Corporation and of its posting on the Club's website

May 9, 2024

- Appropriation of the amount of Php2.3M budget for the repair and complete rehabilitation of the Aoki and Dye pumping stations
- Confirmation of the appointment of Mr. Gilberto Bathan as consultant for the irrigation system of the Club and conditional lifting of the ban against Bridgeans Trading as a supplier of the Club
- Authorization for the General Manager to seek quotations for the full automation of the irrigation systems at the Aoki, Norman and Dye golf courses
- Approval of the List of Applicants for Membership from March 2024 to April 2024
- Approval of the proposal to limit the grant of Associate Membership until the end of 2024 only
- Approval of Calendar of Activities leading to the Annual Stockholders Meeting of the Corporation on 24 October 2024

- Approval of the proposal to lease out the Aoki Driving range for a monthly rent of Php350,000 and for the Bidding and Awards Committee to draft the Terms of Reference
- Approval of the Annual Corporate Governance Reports for 2023 for filing on or before the deadline of 30 June 2024
- Approval of request to ban Mr. Jaime Mendoza in the Club for inappropriate behavior against 2 caddies of Pinehills Golf Club

July 18, 2024

- Strict implementation of imposition of penalties and interests on delinquent members
- Appointment of the Election Committee Chairman and members
- Approval of the Revised Calendar of Activities leading to the Hybrid Annual Stockholders Meeting of the Corporation on 24 October 2024
- Approval of the List of Applicants for Membership from May 2024 to June 2024
- Approval of payment for the services rendered by Mr. Gilberto Bathan for 12 pipe repair projects
- Revocation of the conditional lifting of the ban/ blacklisting of Bridgeans Trading
- Approval of the payment of the 12 pipe repair works done by Mr. Gilberto Bathan
- Appointment of signatories for HMO (Medicard Phils. Inc.)

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **RAMIL L. VILLANUEVA**, Filipino, of legal age and a resident of B67 L36 Norte Dame St., Village 3 Metro South Subdivision, City of General Trias, Cavite, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for Independent Director of **EAGLE RIDGE GOLF AND COUNTRY CLUB, INC.**, and have been its independent director since 2008.
2. I am affiliated with the following companies or organizations:

Company/Organization	Position	Period of Service
Advanced World Systems, Inc.	Board of Director / VP for Site Operations & External Relations	2002-present
Alsons/AWS Information Systems, Inc.	Board of Director	1997- present
Advanced World Solutions, Inc.	Board of Director	2013-present
ACR Mining Corporation	Independent Director	2016-present
Alsons Insurance and Reinsurance Brokers Corporation	Independent Director	2023-present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **EAGLE RIDGE GOLF AND COUNTRY CLUB, INC.** as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations, and other issuances of the Securities and Exchange Commission (SEC).
4. I am not related to any / director / officer / substantial shareholder of **EAGLE RIDGE GOLF AND COUNTRY CLUB, INC.** and its subsidiaries and affiliates other than the relationship provide under Rule 38.2.3 of the Implementing Rules and Regulations of the Securities Regulation Code.
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceedings.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance, and other SEC issuances.
7. I shall inform the Corporate Secretary of **EAGLE RIDGE GOLF AND COUNTRY CLUB, INC.** of any changes in the abovementioned information within five days from its occurrence.

Done, this 09 AUG 2024 at _____.


RAMIL L. VILLANUEVA
 Affiant

SUBSCRIBED AND SWORN to before me this 09 AUG 2024 at _____, affiant personally appeared before me and exhibited to me his Tax Identification No. (TIN) 146-391-829.

Doc. No. 330;
 Page No. 60;
 Book No. 35;
 Series of 2024.

ATTY. VANESSA Q. GARINGO
 Notary Public for Cavite
 Until December 31, 2024
 Roll No. 14549
 PTR 0559808 - 1/3/2014 - Province of Cavite
 IBP No. 418557 - 1/12/24 - Imus, Cavite

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **MARCOS RUSTICO D. DE JESUS**, Filipino, of legal age and a resident of 23 Covina St., Mahogany Place 1, Acacia Estates, Taguig City 137, Metro Manila, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for Independent Director of **EAGLE RIDGE GOLF AND COUNTRY CLUB INC.**
2. I am affiliated with the following companies or organizations:

Company/Organization	Position	Period of Service
ACR Mining Corporation	Nominee for Independent Director	September 2024
Maynilad Water Services	Senior Consultant under the Office of the President and CEO	May 2024 to present

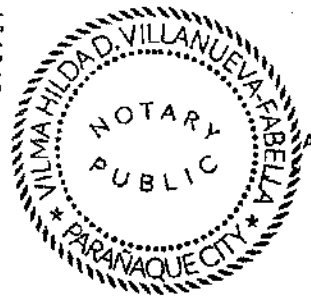
3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **EAGLE RIDGE GOLF AND COUNTRY CLUB INC.**, as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations, and other issuances of the Securities and Exchange Commission (SEC).
4. I am not related to any / director/ officer/ substantial shareholder of **EAGLE RIDGE GOLF AND COUNTRY CLUB INC.** and its subsidiaries and affiliates other than the relationship provide under Rule 38.2.3 of the Implementing Rules and Regulations of the Securities Regulation Code.
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceedings.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance, and other SEC issuances.
7. I shall inform the Corporate Secretary of **EAGLE RIDGE GOLF AND COUNTRY CLUB INC.** of any changes in the abovementioned information within five days from its occurrence.

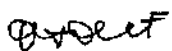
Done, this 21 AUG 2024 at PARAÑAQUE CITY


MARCOS RUSTICO D. DE JESUS
 Affiant

SUBSCRIBED AND SWORN to before me this 21 AUG 2024 2024 at PARAÑAQUE CITY, affiant personally appeared before me and exhibited to me his Passport No. P8129189B issued on 9 November 2021 at DFA NCR East.

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 Page No. 44
 Book No. 16
 Series of 2024




ATTY. VILMA HILDA VILLANUEVA-FABELLA
 NOTARY PUBLIC
 Until December 31, 2024
 IBP No. 378079/12-28-2023/PPLM
 PTR No. 3482808/1-04-2024/Parañaque
 Roll No. 41901
 Not. Com No. 119-2023/1-09-2023