

THE ORCHARD GOLF & COUNTRY CLUB, INC.  
Minutes of the Annual Shareholders' Meeting and Election of Directors  
Held at The Ballroom, The Orchard Golf & Country Club, Inc. and via Remote Communication through  
Videoconferencing and Live Streaming  
On 12 October 2024

<i>Total Number of Shares Present or Represented</i>	1,918
<i>Total Number of Shares Issued and Outstanding</i>	3,000
<i>Total Number of Shares Entitled to Vote</i>	2,594

I. INTRODUCTION

In an effort to encourage greater shareholder participation, the Club held the 2024 Annual Shareholders' Meeting and Election of Directors both in person and via remote communication through videoconferencing and live streaming.

The 2024 Annual Shareholders' Meeting was conducted via remote communication in accordance with the provisions of the Revised Corporation Code of the Philippines and Securities and Exchange Commission ("SEC") Memorandum Circular No. 6, series of 2020.

The moderator informed all attendees that the Club's Remote Communication Guidelines, Election Guidelines, the Minutes of the 2023 Annual Shareholders' Meeting, and the reports for the preceding year, have all been posted on the Club's website and are all available for downloading.

Finally, the moderator reminded all attendees of the following matters:

- (a) By default, all participants shall be on mute;
- (b) The meeting shall be recorded for documentation purposes;
- (c) Participants may send their questions via Zoom chat box, which shall be answered later in the program; and
- (d) Due to time constraints, the Club shall allot only a maximum of thirty (30) minutes to answer ten (10) unique questions raised in person or sent via email or via Zoom chat box. Questions received but cannot be read and answered during the meeting will be answered by the Club through email as soon as possible.

After a short invocation and the singing of the national anthem, the moderator introduced the incumbent Chairman, Mr. Vicente R. Santos.

II. CALL TO ORDER

Mr. Vicente R. Santos called the meeting to order at approximately ten o'clock in the morning. After introducing the members of the Board of Directors ("Board") and the officers in attendance, Mr. Santos requested the incumbent Corporate Secretary, Mr. Exequiel D. Robles, to take the minutes of the meeting.

III. PROOF OF NOTICE

Mr. Robles certified that individual notices for the meeting were duly sent to all shareholders of record by electronic mail and special courier, Viber and Facebook Messenger applications, in accordance with the requirements of the Club's By-laws and relevant regulations.

Mr. Robles likewise certified that the Definitive Information Statement for the year 2024, together with its annexes, namely, the Audited Financial Statements for 2023, SEC Form 17-Q or the Quarterly Report as of 31 March 2024, Interim Financial Statements as of 30 June 2024, Management Report, Summary of the 2023 Annual Shareholders' Meeting, the duly signed Notice of the 2024 Annual Shareholders' Meeting, Proxy Form, Certificates of the Independent Directors, and the Guidelines for Hybrid Format as approved by the SEC, have been uploaded to the Club's website and made available for downloading by the Club's shareholders.

#### IV. PROOF OF QUORUM

When asked by Mr. Santos whether a quorum for the Annual Shareholders' Meeting has been met, Mr. Robles certified that a total of one thousand eight hundred ninety-one (1,891) accomplished and registered proxies have been received, one (1) member registered by email, and twenty-six (26) members registered collectively by special courier, the Viber App, and Facebook Messenger App, for a total of one thousand nine hundred eighteen (1,918) shares. Thus, considering that at least a majority of the outstanding capital stock of the Club was present or represented, there was a quorum to transact business, to elect new directors, and to amend the By-laws of the Club.

#### V. READING AND APPROVAL OF THE MINUTES OF THE 2023 ANNUAL SHAREHOLDERS' MEETING

As Mr. Santos proceeded to the next item on the agenda, a motion was made asking that the reading of the minutes of the Annual Shareholders' Meeting held on 14 October 2023 be dispensed with, considering that copies thereof have been distributed to all the Club's shareholders prior to the meeting. With the motion having been duly seconded, and there being no objection thereto, the same was approved, and the reading of the minutes of the previous year's meeting was dispensed with.

On further motion, which was likewise duly seconded, the minutes of the Annual Shareholders' Meeting held on 14 October 2023 was approved as presented.

#### VI. VIDEO PRESENTATION

Mr. Santos then paused the proceeding to give way to a video presentation prepared by Management, which showcased the Club's highlights and achievements from the past year.

#### VII. REPORTS OF THE PRESIDENT AND THE GENERAL MANAGER

Thereafter, the President & CEO, Mr. Tomas Julio A. Benitez, warmly welcomed the Club's members, incumbent directors, shareholders, valued stakeholders, managers and employees to the 2024 Annual Shareholders' Meeting.

Mr. Benitez then provided an update of the Club's key accomplishments in the past year. He reported that one of the Club's most strategic investments is dedication on its turf grass nurseries. This initiative significantly enhanced the Club's self-sufficiency, sustainability, and operational efficiency. By growing turf varieties like Eagle, Paspalum, and Zoysia on the Club's unutilized areas, the Club was able to ensure a consistent and reliable supply which resulted in the reduction on dependency on external suppliers, given that it is more efficient and cost-effective. Despite being among the most-played courses in the country and their immense popularity, the Club's two golf courses remain in excellent condition. Mr. Benitez said that this was a testament to the diligent efforts of the Club's Agronomy, Environmental and Irrigation Departments, which ensure the pro-active strategies and directives of Management are effectively implemented.

Mr. Benitez added that, to date, the Club has harvested a total of 4,042 sq.m. of Eagle grass from Palmer Hole Nos. 17, 15 and 10 nurseries which were used for repairing Palmer greens collars and addressing greens contamination on Palmer Hole Nos. 1, 2, 4, 6, 7, 15, 16, and 18. Additionally, the Club harvested 200 sq.m. of Paspalum to replace the old Bermuda 419 during the Player greens cleanup. Lastly, 14,327 sq.m. of Zoysia was harvested for patching up and repairing Palmer and Player tee boxes, the transitions between fairways and rough areas, sodding tee mounds, fairways, and the faces of renovated bunkers.

Mr. Benitez reiterated that the commitment to maintaining world-class golf facilities remains a top priority of the Club. In 2024, the Club focused on addressing the Palmer greens contamination, where 45% of the sodding work on key holes have been completed and are likewise progressing well on others, with plans to continue the remaining sodding operations after major tournaments. In addition, he noted that the renovation of 14 bunkers on the Palmer course and 2 bunkers on the Player course have been completed, bringing the total completion to 34% of the Club's renovation target. The irrigation system upgrades were also implemented, with satellite controller replacements and the old sprinkler systems replaced and improved.

Mr. Benitez then reported that the Club's goal of a centralized irrigation system is to improve water management and ensure optimal turf conditions. The upgrades to satellite controllers, power line rewiring, and sprinkler replacements are key to achieving this goal. These improvements enhance water management, reliability, better distribution, thereby making the irrigation system more efficient. He said that, as of September 2024, the Club has made substantial progress on the irrigation improvement programs with 84% of the satellite controller upgrades have been completed, 51 out of 61 controllers installed, at a total cost of PhP 5.45 Million. He added that the Player course is fully completed while the Palmer course is 70% completed. He then noted that the remaining controllers will be installed in 2025. Finally, he reported that the rewiring of power lines on Player Back 9 is 75% complete, ensuring a reliable power supply to the irrigation system, with a total cost of PhP 3.85 Million. Additionally, 61% of sprinklers across both courses have been replaced with 161 units replaced this year in order to improve water distribution. He reiterated that the goal of a fully centralized irrigation system is something the Club hopes to achieve by 2025. This will further enhance the Club's operational efficiency, water conservation efforts and provide better sustainability for the Club.

Reporting on the Club's capital investments in 2024, Mr. Benitez said that the Club acquired several key pieces of equipment for course maintenance, including a reel grinder worth PhP 3.3 Million, two (2) units of greens rollers for PhP 1.8 Million, a greens mower worth PhP 1.8 Million, a bunker rake machine costing PhP 1.2 Million, a sweeper for PhP 680 Thousand, and four (4) units of multi-cab vehicles for PhP 678 Thousand.

Lastly, he mentioned that the Club is also moving forward with the golf cart re-fleeting program, an initiative designed to upgrade and enhance the overall golfing experience of the Club's members and guests. As part of this program, the Club purchased 30 units of electric Club Car Tempo 2 carts at a total cost of PhP 9.6 Million which will not only provide improved comfort and modern technology but also enhance reliability and safety for golfers.

Mr. Benitez reiterated that the Club's focus remains on continuous improvement as it enters a new year in 2025. He said that the Club has already laid plans to complete the remaining renovations, and to find more ways to enhance the overall member experience and upgrade clubhouse facilities. He noted the following key improvements and upgrade plans:

- (a) Repair or replacement of the Sports Complex roof;
- (b) Extension and renovation of the Membership and Marketing offices for approximately PhP 6.4 Million;
- (c) Upgrade the Club's bowling automatic scoring system, with a projected cost of PhP 2.6 Million;
- (d) Renovation of restrooms in the Banquet and Main Lobby for an estimated cost of PhP 2.7 Million;
- (e) Installation of a lightning detector system for a cost of PhP 1 Million; and
- (f) Construction of storm houses at Palmer 16 and Player 13, with a budget of PhP 950 Thousand.

Mr. Benitez then reported the Club's achievements, including the following:

- (a) The Club was awarded as one of the six outstanding contributors to the Department of Environment and Natural Resources' Adopt-an-Estero/Water Program during the Environmental Summit held on August 20, 2024;
- (b) On May 9 and 10, 2024, the Club hosted the Philippine Golf Course Management Conference, which achieved record-breaking attendance with 188 participants and 40 golf clubs; and
- (c) The Club successfully passed the surveillance audit for ISO 9001:2015 certification, with zero nonconformities.

Mr. Benitez thereafter thanked the Board of Directors and the standing Committees of the Club for their continued trust, confidence, and guidance, and the untiring efforts of Management under the leadership of the General Manager. Mr. Benitez also thanked all the staff, employees, and caddies for their dedication and hard work despite

all the challenges during the year. Finally, Mr. Benitez thanked all of the Club's members and shareholders, for their unwavering support and loyalty.

The General Manager, Mr. Ernilo P. Famy, then presented his report.

Mr. Famy reported that 2023 was another banner year for the Club as it marked the first full year of uninterrupted business activity since pandemic. He said that the Club embarked on a path to full recovery and achieved another commendable year with exceptional results that surpassed its 2022 record-breaking performance.

Mr. Famy reported that, unlike other golf club shares, the Club's share prices have held up to its all-time high of PhP 4 Million, PhP 4.5 Million, and PhP 6 Million for Class "A", "B" and "C" shares, respectively, demonstrating stability and positive direction for the Club, while maintaining its commitment to enhancing members' share values. He noted that the past six (6) years showed that actual average share prices increased by more than ten (10) times. Because of the increased share prices, many of the Club's pre-qualified lifetime members were able to cash in and sell their shares at very good prices while retaining their memberships with the same benefits, except the right to vote and be voted upon.

He noted that the share price increase also influenced the movements in membership transactions, where a healthy level of transaction was recorded. In 2023, the Club registered a total of 253 transactions, consisting of 137 transfers of share, 66 assignments of playing rights, and 50 changes in corporate nominees. These transactions resulted in additional PhP 10.8 Million in revenues, or 29% from the PhP 37.1 Million in 2022 to P47.9 in 2023. Mr. Famy reported that, as of August 2024, the Club has seen 155 transactions, which included 74 transfers of shares. This marked a 13% decrease compared to August 2023, when the Club had 178 transactions, which included 95 transfers of shares. He said that the challenge lies where the Club needs to ensure that the Club continues offering great value to current and future members. He said that, in today's competitive environment, keeping the Club's reputation as a top golf destination means staying innovative, stable, improving its services, and making sure that the Club is always the preferred choice.

Mr. Famy then reported that, as of August 2024, the Club has a total of 2,439 billable members, which includes 1,332 proprietary members, 751 corporate nominees, 311 assignees, and 45 lifetime members, which marked an increase from December 2023, when the Club had 2,421 billable members. He also noted that the Club's membership demographic continues to change. He highlighted that what used to be the dominant age bracket of 60 years old and above is now down to 39%. As of August 2024, 50% of the Club's members are 40 to 59 years old, while 10.7% are 29 to 39 years old. The Club's active golfers nonetheless remain at 1,406 members or 58% of the Club total membership.

Mr. Famy reported that, in its 28-year history, the Club registered the highest total golf rounds in 2022 with 102,807 rounds. In 2023, total golf rounds have surpassed the 2022 figure by almost 8,000 rounds reaching another record-breaking 110,752 rounds. He said that average monthly golf rounds in 2023 was registered at 9,229, the highest so far and even higher than 8,567 rounds in 2022. With this, the Club topped the 2023 Golf Rounds Survey among 17 golf clubs with 36 holes, by a substantial 2,082 rounds lead over the club at second place. The Club's member-guest ratio remains heavily in favor of members, with 78:22 ratio compared to the pre-pandemic standard of 65:35. Despite prioritizing members' tee times, many guests eagerly want to experience the beautiful and well-maintained golf courses at The Orchard. In 2023, a total of 24,297 guest rounds was recorded from 19,706 guest rounds in 2022, higher by 23%. He noted that, as of 31 August 2024, 80% of golf rounds were played by members, compared to 78% in 2023. He said that the increase reflects the Club's commitment to prioritize its members.

Proceeding to the Club's financial report, he reported that the Club's financial position remained solid and stable with a steady PhP 93 Million increase in total assets, from PhP 8.83 Billion in 2022 to PhP 8.92 Billion in 2023. At the same time, members' equity also increased by 7% or PhP 47 Million, from PhP 6.705 Billion in 2022 to PhP 6.752 Billion in 2023. The Club's cash balance further strengthened to PhP 141 Million in 2023 from PhP 77 Million in 2022. The PhP 64 Million or 83% increase in cash balance mainly came from the operating activities of the Club and proceeds from the reissuance of 11 shares.

He said that the Club's total current assets reached PhP 176 Million, marking a 55% increase from last year's PhP 114 Million. On the other hand, the Club's gross revenue by the end of 2023 increased by 18% or PhP 55 Million, from PhP 305 Million in 2022 to PhP 360 Million in 2023 due to increased activities in golf that resulted in additional revenue of PhP 34 Million. The Club's operating expenses in 2023 increased by PhP 49.1. Million or 20%, from PhP

244.1 Million in 2022 to PhP 293.2 Million in 2023, mainly due to inflation, mandatory wage increase, repairs and maintenance, and tournament expenses. Despite this, the Club's gross profit managed to increase by PhP 10.3 Million or 14%, from PhP 76.3 Million in 2022 to PhP 86.6 Million in 2023, which is the highest in the history of the Club. He commented that, with a gross profit of PhP 86.6 Million, the Club was able to fund its capital expenditure requirements during the year that totaled to PhP 72.2 Million which is also the highest spending record in the history of the Club without additional assessments imposed on Club members. He said that these long-term investments not only strengthen the Club's infrastructure but ensure that it maintains its status as a premier golf and country club.

Mr. Famy said that the Club's golf rounds are projected to reach about the same level as those in 2023. Membership share values are projected to remain stable as more buyers than sellers are anticipated due to real estate developments around the area such as Vermosa Estate, Villar City and Federal Land's River Park which would be beneficial to the Club in the near future. The Club's gross revenue for 2024 is projected to reach PhP 386 Million while its operating expenses is projected to be at PhP 320.8 Million, producing a modest gross profit of PhP 65 Million that would allow the Club to spend a capital expenditure budget of PhP 60 Million. He said that the combination of prudent and rationalized spending, maintaining liquidity, and maintaining the facilities in the best possible condition would further strengthen the Club's balance sheet.

He noted that, as of 31 August 2024, the Club's total cash balance stood at PhP 176.4 Million, 11% higher than that of the same month last year in the amount of PhP 159.4 Million. He said that the Club's total current assets at PhP 212 Million is still higher than its total current liabilities at PhP 148.5 Million giving the Club a healthy and stable current ratio of 1.4. Lastly, members' equity at PhP 6.77 Billion is PhP 39 Million higher than the same period last year, while share book value remains at PhP 2.55 Million as of 31 August 2024.

Mr. Famy also lauded the Club's employees and staff for efficiently adapting to the demands of the challenges that the Club faced in the past year and for their unwavering commitment to the Club's vision of becoming a premier golf club.

In conclusion, Mr. Famy expressed his gratitude to the Club's shareholders, members, the Board of Directors, the Chairman, the President, and all the Club's committees. He thanked them for their trust, confidence, and support in Management's efforts to realize the Club's objectives.

After the President's and General Manager's respective reports had concluded, Mr. Santos then gave the floor to the Chairman of the Election Committee, Mr. Elpidio C. Jamora, Jr., to preside over the election of directors.

Mr. Jamora informed all the members that copies of the election guidelines were sent to all shareholders of the Club. He also informed them that all qualified members who successfully registered to participate via remote communication had until 10:30 AM to cast their votes via email and participants who physically attended the meeting had until 10:30 AM to fill up their ballots and drop the same in the ballot box. He said that the Election Committee, assisted by the Secretariat and independent tabulators, Isla Lipana & Co., will commence the canvassing of votes at exactly 10:45 AM.

While the canvassing of votes was ongoing, Mr. Jamora then gave the floor back to the Chairman.

#### VIII. QUESTIONS AND CONCERNS FROM SHAREHOLDERS

While waiting for the canvassing of votes, Mr. Santos asked the shareholders whether there was any unfinished business that they would like to raise.

There being no matters raised by the shareholders, Mr. Santos reminded all shareholders that they were given an opportunity to send their questions in advance through email until 5:00 PM on 10 October 2024. He asked Ms. Megan M. Areño, the incumbent Second Assistant Corporate Secretary, whether questions have been submitted via email, or through Zoom Chatbox. Ms. Areño informed the Chairman and the attendees that no questions were received via email and via the Zoom Chatbox. Nonetheless, the moderator informed the Chairman that there were shareholders present who would like to raise questions.

First, Mr. Roel Rafael raised his objections to the five-month suspension imposed on him by the Board taking into consideration his previous violations. He mentioned that, during his five-month suspension, he was able to reflect and think about the rules and regulations of the Club and commented that its application must be based on truth, fairness

and should be beneficial to all concerned. He then reiterated his position on each violation he was held accountable for, saying that he wanted to publicly correct any wrong impression shareholders may have towards him.

The next shareholder who raised a question was Ms. Vida De Jesus, who inquired whether the PhP 60 Million budget for capital expenditures include the renovation of the restrooms in the Sports Area. She commented that the state of these restrooms were close to disgusting and highlighted that guests often use the same. In response, Mr. Benitez answered that the renovation of the restrooms was included in the capital expenditure projects lined up for the succeeding year.

Another member, Mr. Jose Lalisán, commended the maintenance of the restrooms in the lobby. However, he was surprised to find that other restrooms were not properly maintained the same way. He then suggested that one personnel be assigned to each restroom to monitor and check. He also suggested that each restroom be provided with a checklist to guide each personnel in monitoring the maintenance of the same. Mr. Santos thanked Mr. Lalisán for his recommendations and noted all his suggestions.

The final question was raised by Mr. Francis Carlos. He suggested that Management should reflect on where the Club wants to go so it could align its projects toward the goal. He observed that the concerns raised by shareholders during the meeting, such as maintenance of restrooms, are not proper topics to be addressed during the annual meeting. He nonetheless acknowledged that members may have been constrained to raise these issues during the meeting since they do not know the proper communication channels to raise their concerns. He then requested that the proper communication channels be made known to all members. Mr. Santos thanked Mr. Carlos for his comments and suggestions.

There being no further questions from the shareholders present, Mr. Santos then thanked all the shareholders who participated and raised their questions or concerns. He assured the members that, should any questions remain unanswered due to time constraints, Management will address the same via email.

Considering that the Election Committee and the Secretariat needed more time to canvass the ballots, Mr. Santos called for a recess.

#### IX. APPOINTMENT OF EXTERNAL AUDITOR

After the canvassing and tabulation of votes had finished, Mr. Santos resumed the meeting and requested the Chairman of the Audit Committee, Mr. Jose S. Gonzales, to discuss its recommendation in the appointment of the Club's external auditor for the ensuing year. Mr. Gonzales then said that, in consultation with the Club's Finance Committee and Management, the Audit Committee re-endorses Isla Lipana & Co. as the Club's external auditor for the ensuing year.

Mr. Santos then requested the Secretariat to announce the results of the votes made by all qualified shareholders for the appointment of the Club's external auditor for the ensuing year. The Secretariat informed all the attendees that Isla Lipana & Co. (PWC) garnered one thousand five hundred thirty-three (1,533) votes, Alas, Oplas & Co., CPAs garnered four (4) votes, R.G. Manabat & Co. garnered two (2) votes, Sycip Gorres Velayo & Co. (SGV & Co.) garnered 30 votes and twelve (12) members abstained.

Considering that Isla Lipana & Co. (PWC) garnered 1,533 votes, Mr. Santos declared Isla Lipana & Co. (PWC) as the Club's external auditor for the ensuing year.

#### X. ACTS OF MANAGEMENT AND RESOLUTIONS OF BOARD OF DIRECTORS

Mr. Santos proceeded to the next item on the agenda, which was the approval and/or ratification of the acts of the Board of Directors and Management.

Thereafter, a motion was duly made and seconded to ratify all acts and resolutions passed by the Board of Directors from the last Annual Shareholders' Meeting held on 14 October 2023 until the present.

Mr. Santos asked the Secretariat to announce the results of the votes made by all qualified shareholders for the ratification of the acts and resolutions of the Board of Directors. The Secretariat informed all the attendees that one thousand seven hundred (1,700) shareholders, representing at least a majority of the outstanding capital stock voted in favor of the approval of all the acts and resolutions of the Board of Directors from 14 October 2023 to date.

XI. ELECTION OF DIRECTORS

Thereafter, Mr. Santos gave back the floor to Mr. Jamora to present the results of the election of directors.

Since the guidelines for the conduct of the election of directors and for the appreciation of ballots have been distributed to all shareholders of record prior to the meeting, Mr. Jamora, with the consent of the other members of the Election Committee, dispensed with the reading of the said guidelines.

Mr. Jamora proceeded to announce the results of the final canvass of votes garnered by each candidate, as follows:

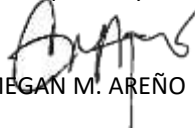
(a)	Mr. Exequiel D. Robles	-	2,259 votes
(b)	Mr. Philip L. Go	-	1,669 votes
(c)	Mr. Vicente R. Santos	-	1,523 votes
(d)	Mr. Henry Cua Loping	-	1,481 votes
(e)	Mr. Tomas Julio A. Benitez	-	1,444 votes
(f)	Mr. Jose S. Gonzales	-	1,422 votes
(g)	Mr. Jose Arturo M. Tugade	-	1,378 votes

On behalf of the Election Committee, Mr. Jamora congratulated the winning candidates.

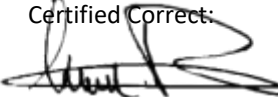
XII. ADJOURNMENT

There being no other business to transact or matter to discuss, Mr. Santos, on motion duly made and seconded, thanked all the attendees for their participation, and declared the Annual Shareholders' Meeting adjourned.

Prepared by:

  
MEGAN M. AREÑO

Certified Correct:



EXEQUIEL D. ROBLES

*Secretary for the Meeting*